MUTHOOT MERCANTILE

Muthoot Mercantile Limited

(A Unit of Muthoot Ninan Group)
Regd. Office: 'MUTHOOT FLOORS', 1st Floor, North Block, Opp. W&C Hospital,
Thycaud, Thiruvananthapuram-695 014. ☎ 0471-2774800 CIN: U65921KL1997PLC011260
e-mail: info@muthootenterprises.com website: www.muthootenterprises.com

INVITATION TO ATTEND THE 29TH ANNUAL GENERAL MEETING

Dear Members/Directors/Auditors

You are cordially invited to attend the 29th (Twenty Nineth) Annual General Meeting of the Company scheduled on Wednesday, 30th September 2026 at 3.00 PM at a Shorter Notice at the Registered Office of the Company at "Muthoot Floors, 1st Floor, North Block, Opposite W& C Hospital, Thycaud, Thiruvananthapuram, Kerala - 695014

The notice convening the Annual General Meeting is attached herewith

Yours faithfully

For Muthoot Mercantile Limited

S/d

Mathew Mathaininan
Chairman & Whole-time Director
DIN: 00063078

Place: Thiruvananthapuram
Date: 28/09/2026

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MUTHOOT MERCANTILE LIMITED

ANNUAL REPORT
FOR THE FINANCIAL YEAR 2025-26

MUTHOOT MERCANTILE LIMITED

CIN: U65921KL1997PLC011260

Corporate Information

Directors

Richi Mathew
Managing Director
DIN: 00224336

Mathew Mathaininan
Chairman & Whole-time Director
DIN: 00063078

Ammini Mathew
Whole-time Director
DIN: 00533771

Asha Richi Mathew
Non Executive Director
DIN: 05172361

Dillark Justin
Non Executive-Independent Director
DIN: 09771752

Antony Robert John
Non Executive-Independent Director
DIN: 10213030

Pathrose Ladislas
Non Executive- Independent Director
DIN: 11567957

Statutory Auditors

M/s Mohandas & Associates
Chartered Accountants
IIIrd Floor, "Sree Residency"
Press Club Road, Thrissur 680001

Secretarial Auditors

M/s SEP & Associates
Company Secretaries
Address: TC 17/3318 (4)
1st Floor, R S Complex,
Opposite LIC Pattom,
Trivandrum 695004

Debenture Trustees

Mitcon Credentia Trusteeship
Services Limited
1402/1403, 14th Floor, Dalamal
Tower, B-Wing, Free Press
Journal Marg, 211, Nariman Point
Mumbai-400021

Bagavath Krishnan Venugopal
Chief Financial Year

Rupesh Vatanapally Haridas
Company Secretary

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e-mail: info@muthootenterprises.com website: www.muthootenterprises.com

NOTICE OF ANNUAL GENERAL MEETING

Shorter Notice is hereby given that the 29th Annual General Meeting of Muthoot Mercantile Limited will be held on Wednesday, 03.00 PM on 30th day of September 2026, at the registered office of the Company at 1st Floor, North Block, 'Muthoot Floors', Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014 to transact the following business:

Ordinary Business:

Item No. 1

To adopt the Audited Financial Statements of the Company for the financial year ended on 31st March 2026, together with the report of the Board of Directors and Auditors thereon

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March 2026, and along with notes annexed thereto and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

Item No. 2

To appoint a Managing Director in place of Mr. Richi Mathew, who retires by rotation and being eligible, offers himself for re-appointment

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Richi Mathew, who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment and be and is hereby re-appointed as Managing Director of the Company, whose office shall be liable to retirement by rotation.

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

Item No: 3

Appointment of M/s JGS & ASSOCIATES, Chartered Accountants as Statutory Auditors of the Company

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014, and other applicable rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. JGS & ASSOCIATES, Chartered Accountants, [Firm Registration No. 013019s], be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine and finalize the remuneration of the Statutory Auditors, including reimbursement of out-of-pocket expenses, applicable taxes and other expenses incurred in connection with the audit of the Company, for each financial year during their tenure.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute all such documents, filings and writings as may be necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:

Item No. 4

Regularization of Additional Director, Mr. Pathrose Ladislas (DIN: 11567957) as Non-Executive and Independent Director the Company

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pathrose Ladislas (DIN: 11567957), who was appointed as an Additional Director by the Board of Directors and who holds office up to the date of this Annual General Meeting, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.

Item No. 5

To consider issuance of Sub-ordinated Debts in the nature of promissory note for the financial year 2026-2027

To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, including Sections 42, 62, 71, 179, 180 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India Act, 1992 and the regulations made thereunder, to the extent applicable, the applicable directions, guidelines and circulars issued by the Reserve Bank of India from time to time, including the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, and subject to such other approvals, permissions, sanctions and consents as may be necessary from the Reserve Bank of India, Ministry of Corporate Affairs, Registrar of Companies and/or any other statutory or regulatory authority, as may be applicable, and subject further to the provisions of the Memorandum and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to issue and allot Subordinated Debt Instruments ("SDIs"), in one or more tranches, from time to time, up to an aggregate amount not exceeding Rs. 300 Cr (Rupees Three Hundred Crores Only), in the nature of subordinated debt/promissory notes or such other permitted form of subordinated debt instrument, to such persons/entities as may be eligible under applicable laws and as may be determined by the Board, on such terms and



conditions as the Board may deem fit, including but not limited to the issue price, face value, rate of interest/coupon, tenure, maturity, mode of issue, repayment/redemption terms and other terms and conditions, subject to applicable laws and regulatory requirements.

RESOLVED FURTHER THAT the Subordinated Debt Instruments proposed to be issued shall, to the extent applicable and permissible under the prevailing regulatory framework, be fully paid-up, unsecured and subordinated to the claims of other creditors of the Company and shall otherwise comply with the conditions prescribed by the Reserve Bank of India and other applicable regulatory authorities for recognition as subordinated debt.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to determine and finalize the number, amount, denomination, issue price, interest/coupon rate, tenure, maturity date, terms of repayment/redemption, eligible subscribers, manner and timing of issue, and all other terms and conditions of the SDIs and to make such modifications, variations, amendments or revisions thereto as may be considered necessary, desirable or expedient in the interests of the Company and in compliance with applicable laws and regulatory requirements.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to issue the SDIs in one or more tranches and to receive subscription monies, execute and deliver all necessary agreements, declarations, undertakings, offer letters, application forms, promissory notes, certificates, documents and instruments and to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to appoint and engage such professionals, intermediaries, consultants, trustees, registrars, depositories and other agencies, as may be required, and to pay such fees, commissions, charges and expenses as may be necessary in connection with the proposed issue of the SDIs.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to make all necessary filings, returns and submissions with the Registrar of Companies, Reserve Bank of India and/or any other statutory or regulatory authority and to comply with all applicable statutory, regulatory and procedural requirements in connection with the issue of the SDIs.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute all such documents, writings and instruments as may be necessary, desirable or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."



Item No. 6:

Authorization for Issuance of Commercial Paper

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 42, 71, 179, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the rules made thereunder, and in accordance with the applicable directions, guidelines, circulars and regulatory framework issued by the Reserve Bank of India ("RBI") from time to time governing the issue of Commercial Paper ("CP"), and subject to such other approvals, permissions, sanctions and consents as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow monies by way of issue of Commercial Paper, in one or more tranches, from time to time, for an aggregate amount outstanding at any time not exceeding ₹ 250 Cr. (Rupees Two Fifty Crores Only), within the overall borrowing powers of the Company.

RESOLVED FURTHER THAT the Commercial Paper may be issued to such eligible investors/persons and on such terms and conditions as may be determined by the Board of Directors from time to time, including the issue size, face value, issue price, discount, maturity, tenure, yield, mode of issue, redemption terms and other conditions, subject to the applicable provisions of the Act, RBI directions and other applicable laws and regulations.

RESOLVED FURTHER THAT the aggregate amount of borrowings of the Company, including the amount proposed to be raised through issue of Commercial Paper, shall be within the overall borrowing limit approved by the Members under Section 180(1)(c) of the Act, wherever applicable.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to issue Commercial Paper in one or more tranches from time to time and to determine the amount, timing, tenure, pricing/yield, maturity, discount and all other terms and conditions of each issue, provided that the same shall be in accordance with the applicable regulatory framework.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to obtain credit ratings, appoint arrangers, dealers, issuing and paying agents, legal advisors and such other intermediaries or professionals as may be necessary in connection with the issue of Commercial Paper and to execute all agreements, documents, applications, declarations and other writings as may be required.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to open and maintain such bank accounts and make such arrangements as may be necessary for receipt of subscription monies and redemption of the Commercial Paper and to comply with all applicable requirements relating to the issue, listing, if any, redemption and reporting of the Commercial Paper.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorized to make all necessary applications, filings, returns and submissions with the RBI, Registrar of Companies and/or any other statutory, regulatory or governmental authority and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution."

Item No. 7:

To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the rules made thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and subject to such other approvals, consents, permissions and sanctions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board") to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, mortgage and/or , create charge on all or any of the assets and properties both immovable and movable, and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient and further to execute the required documents including power(s) of attorney in favour of all or any of the person, firms, body corporate, bank, financial institution, trustees, as by and way of security for the due repayment of the sums of money together with interest or other money(ies) due thereon, if any, already borrowed or to be borrowed by the Company there from shall be within the overall limits of the borrowing powers of the Board of Directors of the Company as determined from time to time by the shareholders pursuant to Section 180(1) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deed, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving



effect to this resolution and for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 8:

Approval of Borrowing Limits

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT**, the consent of the Members of the Company be and is hereby accorded to the Board of Directors and/or any committee of Directors thereof, under Section180 (1)(c) of the Companies Act, 2013 the Rules made thereunder and its related and applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) and in terms of Articles of Association of the Company, to borrow any sum or sums of moneys from time to time from any one or more Company's bankers and /or from any one or more persons, Company Directors, firms, Body Corporate, financial institutions, Banks or other acceptable source, whether by way of advances, loans, debentures, bonds or other securities , on such terms and conditions as the Board may deem fit, notwithstanding that such sum or sums of monies to be borrowed , together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in ordinary course of business), may exceed aggregate of its paid-up capital and free reserves of the Company, provided however , the total amount so borrowed shall not exceed Rs. 3000,00,00,000 (Rupees Three Thousand Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary , desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT Mr. Mathew Mathaininan, Whole Time Director (DIN:00063078) or Mrs. Ammini Mathew, Whole Time Director (DIN: 00533771) be and is hereby authorized to file necessary forms with the Registrar of Companies, Ministry of Corporate Affairs, Government of India."

For and on behalf of Board of Directors of
Muthoot Mercantile Limited
S/d
Mathew Mathaininan
Chairman & Whole-Time Director
DIN: 00063078

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

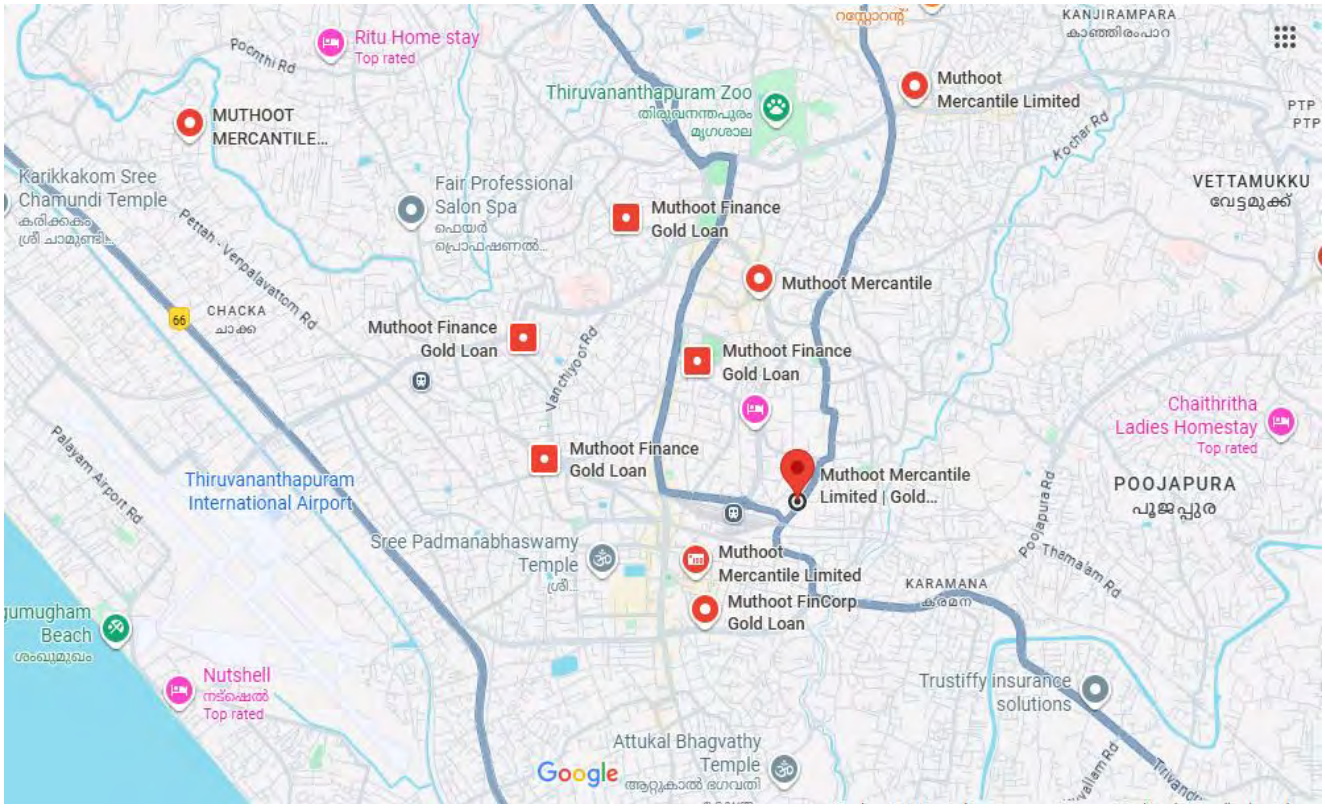
Thiruvananthapuram
24.09.2026

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/ her behalf and the proxy need not be a Member of the Company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.
2. The notice of AGM, Annual Report, Proxy Form and Attendance Slip are being sent to Members.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the AGM.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company authorizing their representative to attend and vote on their behalf at the meeting.
5. Members/ proxies / authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.



ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



MUTHOOT MERCANTILE LIMITED
THYCAUD
695 014

EXPLANATORY STATEMENT UNDER SECTION 102 OF COMPANIES ACT, 2013

Item No. 04

The Board of Directors appointed Mr. Pathrose Ladislas (DIN: 11567957) as an Additional Director of the Company with effect from [Date of Appointment]. Pursuant to the provisions of Section 161 of the Companies Act, 2013, he holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act from a member proposing the candidature of Mr. Pathrose Ladislas for the office of Director of the Company. The Company has also received declaration(s) from Mr. Pathrose Ladislas confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

In the opinion of the Board, Mr. Pathrose Ladislas fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management. Copy of the draft letter of appointment for Mr. Pathrose Ladislas as an Independent Director would be available for inspection by the members at the Registered Office of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, except Mr. Pathrose Ladislas, is in any way concerned or interested, financially or otherwise, in the said resolution.
None of the Directors, KMP of the Company including their relatives is interested or concerned in the resolution expect to the extent of their shareholding, if any, in the Company.

Item No. 05

The Company is a Non-Banking Financial Company and, in the ordinary course of its business, requires adequate and appropriate sources of funds for meeting its business and financial requirements, supporting the growth of its loan portfolio and maintaining its capital adequacy in accordance with the applicable regulatory requirements prescribed by the Reserve Bank of India ("RBI").



With a view to augmenting the Company's long-term resources and strengthening its capital base, the Board of Directors, at its meeting, has proposed to raise funds through the issue of Subordinated Debt Instruments ("SDIs"), in one or more tranches, for an aggregate amount not exceeding ₹ 300 Crores (Rupees Three Hundred Crores only).

The proposed SDIs may be issued in the form of subordinated debt/promissory notes or such other form as may be permitted under the applicable provisions of law and the regulatory framework prevailing at the time of issue. The SDIs shall be issued to such eligible persons/investors and on such terms and conditions as may be determined by the Board of Directors, including the issue size, denomination, issue price, rate of interest/coupon, tenure, maturity, repayment/redemption terms and other conditions, subject to applicable laws and regulatory requirements.

The SDIs shall, to the extent applicable, comply with the conditions prescribed by the RBI for recognition as subordinated debt and/or Tier 2 capital, including the applicable requirements relating to maturity, subordination, repayment, transferability and other conditions prescribed from time to time.

The proposed issue will provide the Company with an additional source of long-term funds and is expected to support the Company's funding requirements and overall financial position.

The proposed issue of SDIs and the terms thereof shall be subject to the provisions of the Companies Act, 2013 and the rules made thereunder, applicable RBI directions and guidelines, the Memorandum and Articles of Association of the Company and such other approvals, permissions and sanctions as may be required from the RBI, Registrar of Companies and/or any other statutory or regulatory authority.

The Board of Directors has accordingly proposed to seek the approval of the Members by way of a Special Resolution authorising the Board to issue and allot SDIs, in one or more tranches, up to an aggregate amount of ₹ 300 Crore, on such terms and conditions as may be determined by the Board in accordance with applicable laws.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.



Item No. 6 :

The Company, being a Non-Banking Financial Company, requires adequate and diversified sources of funds to meet its working capital, lending and other general corporate requirements.

In order to augment its short-term funding resources and efficiently manage its liquidity and funding requirements, the Company proposes to raise funds from time to time through the issue of Commercial Paper ("CP"), in one or more tranches, subject to the applicable regulatory framework prescribed by the Reserve Bank of India ("RBI") and other applicable laws.

The proposed issue of Commercial Paper will enable the Company to access short-term funds from eligible investors, subject to the applicable eligibility, rating, maturity, denomination, issuance and other requirements prescribed by the RBI from time to time.

The Company proposes to issue Commercial Paper for an aggregate amount outstanding at any time not exceeding ₹ 250 Crores (Rupees Two Fifty Crores only). The actual amount, timing, tenure, issue price/discount, yield, maturity and other terms of each issue shall be determined by the Board of Directors, depending upon the Company's funding requirements and prevailing market and regulatory conditions.

The Commercial Paper shall be issued in accordance with the applicable RBI directions governing Commercial Paper and the applicable provisions of the Companies Act, 2013 and rules made thereunder. The issue shall also be subject to such credit rating and other conditions as may be applicable at the time of issue.

The proposed borrowing through Commercial Paper, together with the Company's existing borrowings and other borrowings proposed to be undertaken, shall be within the borrowing limits approved by the Members under Section 180(1)(c) of the Companies Act, 2013, wherever applicable.

The approval of the Members is therefore sought to authorize the Board of Directors to issue Commercial Paper from time to time, in one or more tranches, within the overall limit of ₹ 250 Crores and on such terms and conditions as may be determined by the Board in accordance with applicable laws and regulations.



Item No. 7 :

The Company, in the course of carrying on its business, may from time to time review its business operations, assets and organizational structure and may consider restructuring, consolidation, transfer or disposal of certain undertakings or business divisions where such action is considered appropriate in the interests of the Company.

The Board of Directors of the Company ("Board"), subject to applicable laws and regulatory approvals, proposes to obtain the approval of the Members under Section 180(1)(a) of the Companies Act, 2013 ("Act") to sell, lease or otherwise dispose of the whole or substantially the whole of Muthoot Mercantile Limited.

The proposed authority is intended to enable the Board to undertake such transaction on such terms and conditions, including consideration, manner of payment and other commercial terms, as may be considered appropriate, subject to applicable statutory and regulatory requirements.

Section 180(1)(a) of the Act requires the consent of the Members by way of a Special Resolution for sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company. The proposed resolution is therefore being placed before the Members for their approval.

The Board recommends the passing of the resolution set out at Item No. 7 as a Special Resolution.

Item No. 8 :

The Company, being engaged in the business of financing and related activities, requires adequate financial resources from time to time to meet its business requirements, working capital requirements, lending requirements, capital expenditure and other general corporate purposes.

The Company proposes to maintain adequate flexibility to raise funds through various sources, including bank and financial institution borrowings, loans, debentures, bonds, Commercial Paper, Subordinated Debt Instruments and other permitted debt instruments.



Accordingly, it is proposed to obtain the approval of the Members under Section 180(1)(c) of the Act to authorize the Board to borrow monies, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, excluding temporary loans obtained from the Company's bankers in the ordinary course of business, to the extent applicable.

The Members' approval is proposed for an overall borrowing limit of ₹3,000 Crore (Rupees Three Thousand Crore only) outstanding at any time, within which the Board may raise funds through one or more modes of borrowing and debt instruments, subject to applicable laws and regulatory requirements.

The proposed borrowing limit will provide the Company with flexibility to meet its funding requirements and efficiently manage its financial resources. The actual amount, timing, tenure, pricing, interest/coupon, security and other terms of individual borrowings will be determined by the Board based on the Company's requirements and prevailing market conditions.

Section 180(2) of the Act requires that a special resolution relating to borrowing under Section 180(1)(c) specify the total amount up to which the Board may borrow. Accordingly, the proposed resolution specifically provides for a maximum borrowing limit of ₹3,000 Crore.

The Board recommends the passing of the resolution set out at Item No. 8 as a Special Resolution.

For and on behalf of Board of Directors of
Muthoot Mercantile Limited



S/d
Mathew Mathaininan
Chairman & Whole-Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Form No. MGT 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]

Venue of the meeting	1st Floor, North Block, 'Muthoot Floors', Opposite W & C Hospital, Thycaud, Thiruvananthapuram, Kerala- 695014
Date & Time	30th September 2026

Name	
Address	
Client ID	
No. of shares held	

I, ……, resident of ……, being a Member of Muthoot Mercantile Limited hereby appoint the following as my proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Company to be held on 30th September 2026, 03.00 P M and at any adjournment thereof in respect of such resolution are as indicated below:

Name	
Address	
Email	
Signature	

Sl. No.	Resolution	For	Against
Ordinary Business:			



1	To adopt the Audited Financial Statements of the Company for the financial year ended on 31st March 2026, together with the report of the Board of Directors and Auditors thereon		
2	To appoint a director in place of Mr. Richi Mathew, Managing Director who retires by rotation and being eligible, offers herself for re-appointment		
3.	Appointment of Statutory Auditors		
Special Business:			
4	Appointment of Mr. Pathrose Ladislas as a Director the Company		
5	To consider issuance of Sub-ordinated Debts in the nature of promissory note for the financial year 2026-2027		
6	Authorization for Issuance of Commercial Paper		
7	Approval Under Section 180(1)(a) of the Companies Act, 2013		
8	Approval Under Section 180(1)(c) of the Companies Act, 2013		

Signed on this …… day of ……

Affix Revenue Stamp

…….. ……..

Signature of shareholder Signature of proxy holder

Notes:

- The Proxy to be effective should be deposited at the Registered office of the Company not less than forty eight hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Member.
- The form of Proxy confers authority to demand or join in demanding a poll.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- In case a member wishes his/ her votes to be used differently, he/ she should indicate the number of shares under the columns "For" or "Against" as appropriate.



ADDITIONAL INFORMATION OF DIRECTORS AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name	Richi Mathew
DIN	11567957
Age & Date of Birth	52
Nationality	Indian
Date of First Appointment on the Board	52 Years, 13th May, 1974
Qualifications	He holds a Bachelor's Degree in Engineering from Mangalore University.
Brief Profile	Richi Mathew, aged 52 years, is the Promoter and Managing Director of our Company since 2002 and he holds a Bachelor's degree in Engineering from Mangalore University
Directorship in other Companies	1. Muthoot Syndicate Nidhi Limited 2. Muthoot Mercantile Nidhi Limited 3. Richi Mathew Software Technologies Limited 4. Richi Mathew Securities Limited 5. Muthoot AI Labs Limited 6. Muthoot Mutual Fund Limited
Listed entities from which the director has resigned in the past three years	Nil
Chairmanship/ Membership of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of other Indian Companies of which he/ she is a Director as required under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Member-Audit Committee Member-Asset Liability Management Committee Member-Risk Management Committee Member-Stakeholder Relationship Committee Member-Corporate Social Responsibility Committee Member-Debenture Allotment Committee Member-Information Technology (IT) Strategy Committee
Terms and conditions of appointment or re-appointment	As per the Board Resolution
Details of remuneration sought to be paid	As stated in the terms and conditions of the appointment above.
Details of remuneration last drawn by such person (Financial Year 2025-2026)	91.84 Lakhs
Relationship with other Directors and Key	Mr. Richi Mathew is the son of Mr.Mathew

Managerial Personnel	Mathaininan, Chairman & Whole-Time Director and Mrs. Ammini Mathew. Mr. Richi Mathew is husband of Mrs. Asha Richi Mathew. Except for the above, none of the other Directors, Key Managerial Personnel and their relatives are related.
Number of Meetings of the Board attended during the financial year 2025-26	18/18
Shareholding % in the Company	35.72%



MUTHOOT MERCANTILE

Muthoot Mercantile Limited

(A Unit of Muthoot Ninan Group)
Regd. Office: 'MUTHOOT FLOORS', 1st Floor, North Block, Opp. W&C Hospital,
Thycaud, Thiruvananthapuram-695 014. ☎ 0471-2774800 CIN: U65921KL1997PLC011260
e-mail: info@muthootenterprises.com website: www.muthootenterprises.com

CORRIGENDUM TO THE NOTICE OF THE 29TH ANNUAL GENERAL MEETING

This Corrigendum is being issued in connection with the Notice dated 24th September, 2026 convening the 29th Annual General Meeting ("AGM") of the Members of Muthoot Mercantile Limited ("the Company"), scheduled to be held on Wednesday, 30th September 2026 at the Registered Office of the Company.

The Members are hereby informed that the agenda of the aforesaid AGM is being modified as follows:

1. Replacement of Agenda Item No. 2

The existing Ordinary Business Agenda Item No.2 " ***TO APPOINT A MANAGING DIRECTOR IN PLACE OF MR. RICHI MATHEW, WHO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR REAPPOINTMENT***." in the Notice of the 29th AGM shall be replaced with the following special business:

"***ITEM NO: 9: TO APPOINT A MANAGING DIRECTOR IN PLACE OF MR. RICHI MATHEW, WHO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR REAPPOINTMENT***]"

2. Other Terms and Conditions

All other items of business and the terms and conditions contained in the original Notice of the 29th AGM shall remain unchanged.

This Corrigendum shall be read together with the original Notice of the 29th AGM and shall form an integral part thereof.

The Members are requested to take note of the above changes.

By Order of the Board of Directors
For Muthoot Mercantile Limited

S/d
Richi Mathew
Managing Director
Date: 28.09.2029
Place: Thiruvananthapuram

Muthoot™

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DIRECTORS' REPORT

Dear Members,

Your Board of Directors is pleased to present the 29th Annual Report of Muthoot Mercantile Limited ('Company') enumerating the business and key operational highlights of the Company along with the Audited Financial Statements and Independent Auditor's Report for the financial year ended 31st March 2026.

1. Financial Summary

The Company's financial performance for the financial year ended 31st March 2026 and corresponding figures for the financial year ended 31st March 2025 are in the following table:

(₹ in Lakh)

Description	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from operations	24,686.13	16,407.03
Other Income	192.92	235.59
Gross Income	**24,879.06**	**16,642.62**
Total Expenditure (excluding Finance Cost and Depreciation)	5705.69	4,580.33
Profit Before Finance Cost and Depreciation	**19,173.37**	**12,062.29**
Less: Finance Cost	10,752.77	7,297.38
Less: Depreciation	1,135.16	962.19
Profit Before Tax	**7,285.44**	**3,802.72**
Total Tax Expenses (Current and Deferred)	1,950.73	993.79
Profit After Taxation	**5,334.71**	**2,808.93**
Other Comprehensive Income/ (Expense) (Net of Tax)	53.94	(45.98)
Total Comprehensive Income for the period	**5,388.65**	**2,762.95**

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Appropriations		
Transfer to Impairment Reserve	---	--
Transfer to Statutory Reserve	1070.00	561.79
Earnings Per Share		
Basic (in ₹)	3.66	1.93
Diluted (in ₹)	3.66	1.93

2. Dividend

The Board of Directors has not recommended any dividend for the financial year under review, as the Company intends to retain its earnings to support its business expansion plans and strengthen its financial position.

3. Transfer to Reserves

Your Board of Directors has transferred an amount of ₹ 1070 Lakh to the statutory reserve maintained under Section 45 IC of the Reserve Bank of India Act, 1934. Post transfer of profits to reserves, your Board proposes to retain ₹ 2413.56 Lakhs in the Retained Earnings.

4. Company's Performance

The Company achieved a net profit of ₹ 5,334.71 Lakh for the financial year ended 31st March 2026 as compared to ₹ 2,808.93 Lakh for the financial year ended 31st March 2025, registering an impressive year on year growth of 89.92%, driven by the robust growth in gold loan and on boarding of new customers. Profit before tax was at ₹ 7,285.44 Lakh for the financial year ended 31st March 2026 as compared to ₹ 3,802.72 Lakh for the financial year ended 31st March 2025.

Total income has increased to ₹ 24,879.06 Lakhs for the financial year ended 31st March 2026 from ₹ 16,642.62 Lakh for the financial year ended 31st March 2025, primarily on account of increase in Interest income of the Company. Interest income of the Company increased to ₹ 24,412.19 Lakh from the previous year's interest income of ₹ 16,307.19 Lakh, a year on year growth of 49.70%.

5. Brief description and state of Company's affairs

The Company is registered as a Non-Deposit taking Non-Banking Financial Company (NBFC) pursuant to the Certificate of Registration No. 16.00178 dated 12th December 2002, issued by the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934. With decades of established history in money lending against household and/ or used gold jewellery, the Company is primarily engaged in offering a range of lending products tailored to meet the diverse financial needs of its customers.

During the year under review, the Company has a network of 325 branches across the States of Tamil Nadu, Kerala, Delhi, Haryana, Maharashtra, Madhya Pradesh, Odisha, Punjab, Uttar Pradesh, Rajasthan, West Bengal and Gujarat.

Operational Highlights

(a) **Assets Under Management (AUM)**

During the period under review, the AUM of the Company stood at ₹ 1,30,596.18 Lakh as on 31st March 2026 against ₹ 89,673.47 Lakh as on 31st March 2025.

(b) **Performance review**

The Company is primarily engaged in the gold loan sector lending money against the pledge of household and/ or used gold jewellery primarily to retail customers who require immediate availability of funds. During the year under review, interest income from gold loan business constituted 98.12 % of the total income of the Company. Gold loan portfolio of the Company as of 31st March 2026 comprised approximately 3 Lakh plus customers. The Company has developed various gold loan schemes, which offer variable terms in relation to the amount advanced per gram of gold, the interest rate and the quantum of the loan, to meet different needs of various customers. The gold loan customers are largely individuals from rural, semi-urban areas and metro cities, including, Mumbai and Delhi, who typically require funds for social obligations, emergencies, agriculture-related activities, small scale business operations or consumption purposes.

During the year, the Company further expanded its geographical presence and increasing its footprints by opening new branches and making it more accessible to its customers.

6. Share Capital

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Company as on 31st March 2026 are as follows:

(a) Authorised Share Capital: 15,90,00,000 (Fifteen Crores Ninety Lakhs only) equity shares having face value of ₹ 10/- (Indian Rupees Ten) each amounting to ₹ 159,00,00,000/- (Indian Rupees One Hundred and Fifty Nine Crore).

(b) Issued, Subscribed and Paid-up Share Capital: 14,56,74,988 (Fourteen Crores Fifty Six Lakhs seventy four thousand Nine hundred and eighty eight only) equity shares having face value of ₹ 10/- (Indian Rupees Ten) each amounting to ₹ 145,67,49,880/- (Indian Rupees One Hundred and Forty Five Crores Sixty seven lakhs forty nine thousand eight hundred and eighty only).

During the financial year, no preferential issue of shares with differential rights as to dividend, voting as otherwise was carried out by the Company. The Company has also not carried out any buyback of its equity shares during the financial year under review.

7. Resource Mobilization/ Fund Raising

(a) **Non-Convertible Debentures (NCDs)**

The Company has not issued any NCDs through Private Placement during the financial year 2025-26. The Company has raised ₹ 21,420.23 Lakh through Public Issue of NCDs during the financial year 2025-26.

The Company has been regular in making payments of principal and interest on all the NCDs issued by the Company. There are no NCDs which have not been claimed by investors or not paid by the Company after the date on which the NCDs became due for redemption. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

(b) **Sub-Ordinated Debts**

Subordinated Debts represent long-term source of funds for the Company and the amount outstanding as on 31st March 2026, stood at ₹ 21,051.51 Lakh. Subordinated Debts will be qualified as Tier II capital under the Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023.

(c) **Financing from Banks and Financial Institutions**

Financing from Banks and Financial Institutions remains an important source of funding for the Company. Banks and Financial Institutions continued their support to the Company during the financial year 2025-26. As of 31st March 2026, borrowings from banks and financial institutions stood at ₹ 35,305.27 Lakh.

(d) **Debt to Equity ratio (Leverage ratio)**

The debt equity ratio of the Company as on 31st March 2026 was 4.53 times. As per the prudential norms, the leverage ratio of NBFCs (except NBFC-MFIs, NBFCs-ML and above) shall not be more than 7 at any point of time and the debt equity ratio of the Company is within the stipulated limits.

8. Credit Rating

The Company has debt credit ratings as below:

Credit Rating Agency	Instrument	Rating
Acuite Ratings and Research Limited	Non Convertible Debentures	ACUITE A- Stable
Crisil Limited	Non-Convertible Debentures	CRISIL BBB+ Stable

9. Internal Audit and Internal Financial Control

The Company has established a robust, comprehensive, and well-documented internal audit and internal control system designed to ensure meticulous compliance across all operational levels. The internal audit function has evolved into a vital pillar of governance, aligned with the scale, complexity, and geographic reach of the Company's business operations. The internal control framework is structured to safeguard and protect the Company's assets, prevent revenue leakages, and ensure the integrity of income streams. It also facilitates accurate and reliable financial reporting, thereby enhancing stakeholder confidence. The Internal Audit function operates as an independent and objective assurance and consulting activity, with adequate authority and organizational standing.

Internal Audit team ensures the quality and safety of pledged assets, evaluates risk management, and mitigates operational vulnerabilities. The Company's internal audit practices are founded on transparency, independence, and accountability, forming a crucial part of its corporate governance.

10. Human Resources

The Company has a work environment that inspires people to do their best and encourages an ecosystem of teamwork and continuous learning. The Company believes that people perform to the best of their capability in organization to which they feel truly associated. The Company focuses on widening organizational capabilities and improving organizational effectiveness by having a competent and engaged workforce. Our people are our partners in progress and employee empowerment has been critical in driving our organizational growth to the next level.

The Company had 1330 employees on the rolls as on 31st March 2026 as compared to 1054 as on 31st March 2025.

11. Branch network expansion

As of 31st March 2026, we had 325 branches located in 11 states and 1 in union territories. The distribution of branches across India by region as of 31st March 2026 is as set out in the following table.

State	No. of branches
Tamil Nadu	14
Kerala	91
Delhi	45
Haryana	5
Maharashtra	44
Madhya Pradesh	19
Odisha	53
Punjab	19
Uttar Pradesh	3
Rajasthan	11
West Benga1	15
Gujarat	6
Total	**325**

12. Marketing and Promotion Initiatives

The Company's strategic marketing efforts have always significantly boosted its brand goodwill and equity, evidenced by independent recognition. For a long time, we have made a conscious effort to foster greater social inclusion by supporting and enabling underserved communities. Our continuous marketing and branding initiatives not only communicate our services but also leverage our strengths to build brand equity, enhance brand imagery, and achieve greater brand recall.

13. Capital Adequacy

The Company's Capital Adequacy Ratio as of 31st March 2026 stood at 24.89% of the aggregate risk-weighted assets on the balance sheet and risk-adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%. Out of the above, the Tier I capital adequacy ratio stood at 17.24% and the Tier II capital adequacy ratio stood at 7.65%.

14. Public Deposits

The Company being a Non-Deposit taking Non-Banking Finance Company has not accepted any deposits from the public during the year under review (FY 2025-26).

15. RBI Guidelines

The Company complies with the Master Direction − Reserve Bank of India (Non-Banking Financial Company−Scale Based Regulation) Directions, 2023 and all the applicable laws, regulations, guidelines, etc. prescribed by RBI from time to time.

16. Subsidiaries/ Associates/ Joint Ventures

The Company does not have any subsidiary, associate or joint ventures Companies within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013, so the requirement of disclosure as per Rule 8(1) of the Companies (Accounts) Rules 2014 is not applicable on the Company.

17. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

Pursuant to Section 186(11) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure in the Annual Report.

18. Annual Return

Pursuant to Section 134(3)(a) of the Act, the Annual Return of the Company prepared as per Section 92(3) of the Act for the financial year ended 31st March 2026, is hosted on the website of the Company.

19. Risk Management

Risk management forms an integral element of our business strategy. As a lending institution, we are exposed to various risks that are related to our lending business. Our objective in risk management processes is to appreciate, measure and monitor the various risks we are subjected to and to follow the policies and procedures to address these risk elements strictly in accordance with the directions from the Reserve Bank of India. The Board of Directors has adopted a Risk Management Policy and the Risk Management Committee ('RMC') has overall responsibility for overseeing the implementation of the Risk Management Policy. The RMC reviews the overall risk position and the risk management practices. The major types of risk faced are collateral risk, operational risk, liquidity risk, market risk (which includes interest rate risk) and business cycle risk. As customers approach for gold loans to meet their urgent financial needs, such loans are to be disbursed in the quickest turnaround time, hence, although loans are disbursed in very short period of time we have put in place clearly defined appraisal methods and meticulous KYC compliance procedures to mitigate various operational risks arising out of achieving the quickest turnaround time.

20. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual through various intentions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), amended as on date. The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with POSH Act which offers comprehensive protection to all employees.

The following is a summary of Sexual Harassment Complaints received and disposed of during the FY 2025-26, pursuant to the POSH Act and rules framed thereunder;

No of complaints of Sexual Harassment received during the FY 2025-26- Nil
No of complaints disposed off during the FY 2025-26-Nil
No of cases pending for more than 90 days-Nil
No of cases pending as on 31st March 2026-Nil

21. Compliance with Maternity Benefit Act, 1961

The Company demonstrates its commitment to the well-being of its women employees by complying with the provisions of the Maternity Benefit Act, 1961, and offering additional benefits as part of its employee welfare initiatives. This adherence reflects the Company's core values, including sensitivity and integrity towards its workforce. The Company confirms adherence to applicable provisions of the Maternity Benefit Act, 1961, which include protection from dismissal or discharge during absence due to pregnancy or maternity. The Company recognizes employees as key stakeholders, and ensures that any employee-related grievances, including those concerning maternity benefits, are handled through an established Redressal mechanism and emphasizes a fair, consistent, and rule-abiding process for grievance resolution, to ensure timely and effective handling of all complaints.

22. Corporate Social Responsibility ('CSR')

The Company recognizes CSR as a strategic approach to create shared value and contributing to social and environmental well-being through impactful initiatives. Our endeavor is to focus on reaching diverse segments of the society, with socially relevant projects, that benefit the communities and cultivates discernible and substantial influence upon the lives of communities confronting economic, physical and social challenges. For the financial year 2025-26, the Company's Corporate Social Responsibility (CSR) initiatives are strategically channeled into pivotal domains, encompassing Healthcare, Livelihood enhancement, and other areas.

The Company is having CSR policy which sets out the objective, areas, activities and the manner in which the expenditure on CSR obligation would be carried out by the Company and the same is available on the website of the Company.

Further, the Annual Report on CSR activities prepared in strict compliance with the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, is appended to this report as Annexure I. The annexure furnishes comprehensive particulars concerning

ongoing CSR projects, programs and activities. Detailed information regarding the Corporate Social Responsibility Committee are also separately provided in the Annual Report on CSR activities, annexed to the Board's Report as Annexure I.

23. Particulars of Contracts and Arrangements made with Related Parties

The Board of Directors has duly approved the Policy on Transactions with Related Parties ('RPT Policy'), acting upon the judicious recommendation of the Audit Committee. The core objective of the RPT Policy is to establish robust reporting, approval, and disclosure frameworks for all transactions conducted between the Company and its related parties.

All Related Party Transactions were placed before the Audit Committee for approval of the Committee and the Board, wherever necessary. There were no materially significant related party transactions undertaken by the Company with Promoters, Directors, Key Managerial Personnel, or body corporate(s) that presented a potential conflict with the broader interests of the Company.

Particulars of contracts or arrangements with related parties as referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 and the same forms part of this report as Annexure II. Related party transactions as required under Ind AS are reported in the Note no. 37 to the financial statements of the Company.

24. Vigil Mechanism

The Company has established the Vigil Mechanism as per Section 177 of the Companies Act, 2013 to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. The Company endeavors to cultivate an environment characterized by ethical conduct and an absence of unfair practices, establishing the highest standards of integrity for its personnel.

The Company maintains a robust Whistle Blower Policy, which assures protection against victimization, discrimination, or disadvantage for those making such reports. Its fundamental aim is to ensure that all concerns are appropriately raised, subjected to independent investigation, and duly addressed. During the financial year 2025-26, no whistle blower event was reported, the vigil mechanism is functioning well and no employee of the Company was denied access to the Audit Committee.

25. Board of Directors and Key Managerial Personnel

(a) Board of Directors

As on 31st March 2026, the Board of Directors of the Company comprised seven (7) Directors, including three (3) Non-Executive Directors, of whom two (2) were Independent Directors, and three (3) Executive Directors, comprising two (2) Whole-Time Directors and one (1) Managing Director. Mr. Pathrose Ladislas was appointed as an Additional Director of the Company with effect from 2nd February 2026, and his tenure was up to the conclusion of the ensuing Annual General Meeting held on 30th September 2026.

Mr. Richi Mathew, Whole-Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board and the Nomination and Remuneration Committee have evaluated the eligibility criteria of Director seeking re-appointment at the ensuing Annual General Meeting and have recommended the reappointment. Necessary disclosures as required are provided in the notice calling the Annual General Meeting.

The Directors of the Company have confirmed that they satisfy the 'Fit and Proper' Criteria as prescribed under Master Direction − Reserve Bank of India (Non-Banking Financial Company −Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act.

(b) Key Managerial Personnel (KMP)

During the year under review, the following changes took place in the KMP of the Company:

(i) Mr. Arun Kumar V.K was resigned from the Post of Company Secretary of the Company with effect from 15th October 2025.
(ii) Mr. Rakesh P was appointed as Company Secretary of the Company with effect from 07th November 2025
(iii) Mr. Rakesh P was resigned from the Post of Company Secretary of the Company with effect from 13th February 2026
(iv) Mr. Rupesh Vatanapally Haridas was appointed as Company Secretary of the Company with effect from 18th April 2026

The following changes took place in the composition of the KMP of the Company after the end of the financial year under review and up to the date of the Board Report:

(i) Mr. Bagavath Krishnan V was appointed as Interim Chief Financial Officer with effect from 15th July 2025
(ii) Mr. Bagavath Krishnan V was resigned from the Post of interim Chief Financial Officer from with effect from 22nd August 2025
(iii) Mr. S. Raghupathy was appointed as Chief Financial Officer with effect from 22nd August 2025.
(iv) Mr. Raghupathy S was resigned from the Post of Chief Financial Officer with effect from 07th November 2025
(v) Mr. Raghul Sheela Raghuvaran was appointed as Chief Financial Officer of the Company with effect from 07th November 2025
(vi) Mr. Raghul Sheela Raghuvaran was resigned from the Post of Chief Financial Officer of the Company with effect from 16th March 2026
(vii) Mr. Bagavath Krishnan was appointed as Chief Financial Officer of the Company with effect from 16th March 2026

(c) Code of conduct for Board of Directors and Senior Management Personnel

The Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel, in accordance with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This code reflects the Company's commitment to upholding the highest standards of ethical conduct, integrity, compliance, and accountability. It serves as a guiding framework to reinforce our core values and promote a culture of transparency and responsible governance. During the financial year under review, the Board of Directors and Senior Management Personnel have fully complied with the code.

26. Number of Meetings of the Board

During the Financial Year 2025-26, the Company held 18 (Eighteen) Board Meetings of the Board of Directors as per Section 173 of Companies Act, 2013, which is summarized as follows:

SN	Date of Board Meeting	Board strength	No. of Directors present
1	09/04/2025	06	06
2	21/04/2025	06	06
3	30/05/2025	06	06
4	11/06/2025	06	06
5	21/06/2025	06	06
6	15/07/2025	06	06
7	31/07/2025	06	06
8	14/08/2025	06	06
9	22/08/2025	06	06
10	03/09/2025	06	06
11	05/11/2025	06	06
12	07/11/2025	06	06
13	14/11/2025	06	06
14	19/11/2025	06	06
15	02/02/2026	06	06
16	12/02/2026	07	07
17	25/02/2026	07	07
18	16/03/2026	07	07

27. Declaration from Independent Directors

In accordance with the provisions of Section 149(7) read with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Independent Directors have submitted the necessary declaration of independence, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013. Further, the Independent Directors have affirmed that they have complied with the Code applicable for Independent Directors as stipulated under Schedule IV of the Companies Act, 2013 and have registered their name in the data bank of Independent Directors and paid the relevant fees. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience of all Independent Directors on the Board.

During the year under review, the Independent Directors had no pecuniary relationship or transactions with the Company other than the sitting fees, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board or Committees of the Company. Further, there has been no change in the circumstances affecting their status as Independent Directors of the Company.

28. Committees of the Board

The Board of Directors of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them. As on 31st March 2025, the Board has 9 (nine) Committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Internal Complaint Committee
- Debenture Allotment Committee
- Stakeholder Relationship Committee

During the year under review, all recommendations made by the committees were accepted by the Board of Directors.

In accordance with the Master Direction − Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, a detailed report on Corporate Governance forming part of this Annual Report is annexed herewith as Annexure-II which adheres to Corporate Governance Standards and provides comprehensive information on the various Committees constituted by the Company. The report outlines the composition of each Committee, terms of reference, the frequency of its meetings, the meetings held during the Financial Year under review, and the attendance records for those meetings.

The Composition of Audit Committee pursuant to the Master Direction−Reserve Bank of India (Non-Banking Financial Company−Scale Based Regulation) Directions, 2023 and provisions of Section 177 of the Companies Act, 2013 is provided hereunder:

1. Audit Committee Composition

Name of the Committee member	Designation in the Company	Position held in the Committee
Richi Mathew	Managing Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Chairperson

The recommendations of the Audit Committee were duly approved and accepted by the Board during the financial year 2025-26.

2. Nomination and Remuneration Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Asha Richi Mathew	Non-Executive Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Chairperson

3. Risk Management Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson
Richi Mathew	Managing Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Member
Krishnamoorthy C	Deputy General Manager	Member
Bagavath Krishnan V	CFO	Member

4. IT Strategy Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson
Richi Mathew	Managing Director	Member
Antony Robert John	Independent Director	Member
Shanthanu	Head. Software Department	Member
Akhil Mohan	IT Support	Member

5. Asset Liability Management Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson
Richi Mathew	Managing Director	Member
Antony Robert John	Independent Director	Member
Krishnamoorthy C	Deputy General Manager	Member
Bagavath Krishnan V	CFO	Member

6. Corporate Social Responsibility Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Member
Richi Mathew	Managing Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Chairperson

7. Debenture Allotment Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson
Richi Mathew	Managing Director	Member
Antony Robert John	Independent Director	Member
Krishnamoorthy C	Deputy General Manager	Member

8. Stakeholder Relationship Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson
Richi Mathew	Managing Director	Member
Dillark Justin	Independent Director	Member
Antony Robert John	Independent Director	Member

9. Internal Complaint Committee

Name of the Committee member	Designation in the Company	Position held in the Committee
Ammini Mathew	Whole-time Director	Presiding Officer
Mathew Mathaininan	Chairman Cum Whole-time Director	Member
Richi Mathew	Managing Director	Member
Ms. Manju	Advocate	External Member

29. Policy on Appointment and Remuneration of Directors and Performance evaluation of Board, Committees and Directors

The Board of Directors has adopted a policy of Nomination and Remuneration which includes the criteria for determining qualifications, positive attributes and independence of Directors. Further, the Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'Fit and Proper' criteria of Directors at the time of appointment and on a continuing basis, pursuant to the Master Direction – Reserve Bank of India

(Non-Banking Financial Company−Scale Based Regulation) Directions, 2023 issued by Reserve Bank of India.

In compliance with the regulatory requirements, the Board carried out an annual evaluation of its own performance, its committees, and of the individual Directors based on criteria and framework adopted by the Board and in accordance with regulations.

The Company believes that for the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the Independent Directors to meet without the presence of the non-independent Directors and executive management. Further, the Companies Act, 2013 and rules made thereunder prescribes that at least one meeting of Independent Directors of the Company shall be conducted without the presence of non-independent Directors and management. It also provides that the Independent Directors shall review the performance of the Board/ Chairperson/ Non-Executive Directors/ Whole-Time Directors which is required to be done at a separate meeting of Independent Directors. During the year, a meeting of Independent Directors was held on Monday, 16th March 2026 and discussed and deliberated matters specified therein.

30. Corporate Governance

The Company believes that a good corporate governance system is necessary to ensure its long-term success. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and regularly reviewed by the Board or the Committees of the Board of Directors of the Company. The Company has put in place the Policy on Corporate Governance. The Report on Corporate Governance forms an integral part of this Annual Report and is annexed herewith as Annexure III.

31. Management Discussion and Analysis Statement

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis, which forms an integral part of this Annual Report as Annexure IV. The report discusses in detail the overall industry situation, economic developments, sector wise performance, outlook, risks & concerns, material developments and state of the Company's affairs.

32. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information pursuant to Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014 is as follows:

(a) Conservation of energy

The need for adoption of clean technology, improving end-use efficiency and diversifying energy bases, etc. have all been seriously considered by the Government of India and the country is poised for a considerable increase in the use of renewable energy sources in its transition to a sustainable energy base. The Company being a Non-Banking Finance Company, has no activities involving conservation of energy.

(b) Technology Absorption

The Company has consistently adopted information technology and tools throughout its operational history. This comprehensive deployment of technological capabilities has driven significant transformation, backend infrastructures and enhancing customer-facing experiences. Our established information systems confidently enable us to proficiently manage nationwide operations, effectively engage target customers and control associated risks. The widespread application of information technology across our operational framework has demonstrably improved customer service delivery, optimized operational efficiencies, and strengthened management information systems.

Initiatives taken by the Company in information technology to improve business efficiency ease of operation, improved risk management practice and providing the best stakeholders experience:

In this fast-changing digital era, the Company is constantly innovating itself provide the right solutions for our diverse clientele, to provide great customer experience and to improve efficiency of staff. The Company continued its focus on various initiatives during the year providing great customer experience, improved business efficiencies, ease of operations, and effective risk management.

(c) Foreign exchange earnings and outgo during the financial year 2025-26

Particulars	Amount (₹ in Lakh)
Total foreign exchange earned	Nil
Total foreign exchange expended	Nil

33. Auditors and Audit Reports

(a) Statutory Audit under Section 139 of the Companies Act, 2013

M/s Mohandas & Associates, Chartered Accountants (FRN: 002116S) were appointed as the Statutory Auditors of the Company at the 28th Annual General Meeting of the Company held on 29th September 2025 for a period of one year and to hold the office of the Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2026-27. The Audit Report for financial year 2025-26 does not contain any observations, qualification, reservation or adverse remarks.

(b) Secretarial Audit under Section 204 of the Companies Act, 2013

Pursuant to Section 204 of the Act, the Board of Directors appointed M/s SEP & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2025-26. The Secretarial Audit Report of the Company issued by the Secretarial Auditors is annexed to this report as Annexure VII.

(c) Cost records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

(d) Explanations or comments by the Board on qualification, reservation or adverse remark or disclaimer on audits for financial year 2025-26

There are no qualifications, reservation or adverse remarks or disclaimer in the audit reports issued under Section 139 and Section 204 of the Companies Act, 2013 for the financial year 2025-26.

34. Employee Remuneration

The disclosure required under the provisions of Section 197 of the Companies Act, 2013 ('Act) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') is annexed to this report as Annexure V. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of the Director's Report.

35. Significant and material orders passed by regulators or courts or tribunals

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

36. Material changes and commitments affecting the financial position of the Company between the end of the financial year to which financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which financial statements relate and the date of this report.

37. Material Events

(a) The Company has issued and allotted 1071144 Compulsorily Convertible Preference Shares (CCPS) with subscription price of Rs.75.62/- (face value of Rs.70/- and Securities premium of Rs.5.62/- respectively) worth Rs. 8,09,99,909.28/- during the financial year 2026–27 to meet its financial requirements and support its business expansion plans.

(b) The Company has also raised Listed, rated, senior secured Redeemable Non-Convertible Debentures worth Rs.100 Crores on private placement basis pursuant to the approval accorded by the Board of Directors at its meeting held on 25th September 2026 and the private placement offer made to the identified persons/investors in accordance with the applicable law.

38. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that -

(i) in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed. There were no material departures from applicable Indian Accounting Standards;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis;

(v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. Disclosure pursuant to Part A of Schedule V of SEBI Listing Regulations

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI Listing Regulations is attached as Annexure VI of this report.

40. Others

(a) During the year under review, the Company has been in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, with respect to Meetings of Board and its Committees and General Meetings respectively. The Company has devised the necessary systems to ensure compliance with the applicable provisions of Secretarial Standards.

(b) The Company, in the capacity of Financial Creditor, has not filed any application with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year 2025-26 for recovery of outstanding loans against any customer being Corporate Debtor.

(c) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.

(d) During the year under review, there were no instances of any material frauds reported by the Statutory Auditors under Section 143(12) of the Act.

41. Acknowledgement

Your Directors thank the Company's stakeholders including investors, customers, banks, financial institutions, rating agencies, debenture holders, merchant bankers, legal consultants, registrar and transfer agents, debenture trustees and well-wishers for their continued support during the year. The Directors place on record their appreciation of the contribution made by the employees of the Company and its subsidiaries at all levels. The Company's consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board sincerely expresses its gratitude to Reserve Bank of India, Securities and Exchange Board of India, Ministry of Corporate Affairs and Stock Exchanges including various officials there at for the guidance and support received from them from time to time.

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and Annexure II of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company

The Company has adopted a Board approved Corporate Social Responsibility ('CSR') Policy, in accordance with the provisions of Section 135 of the Companies Act, 2013 ('Act') read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Act. Corporate social responsibility is deeply rooted in the Company's business philosophy. The Company has a sense of responsibility towards making use of its existing resources and knowledge to not only make profits but also to solve social and community issues. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability.

As an integral part of the Company's commitment to good corporate citizenship, the Company believes in actively assisting in improving the quality of life of people in the communities. The Company desire to make enduring contributions to social development as a valued and trusted member of society by enriching people's life and making social contributions. The Company tries to ensure economic growth with ecological and social responsibility.

Below is a table outlining the key highlights of the CSR Projects undertaken by the Company during the financial year 2025-26:

SN	Areas/ Subjects under Schedule VII	CSR Projects undertaken by the Company during the financial year 2025-26

1	Promoting health care including preventative health care	Promoting healthcare of general peoples lived in the locality by way of making contributions on request, supporting patients and extending support for livelihood of persons affected by health issues
2	Supporting educational initiatives for less privileged students	Social and health welfare combines organized community, governmental, and non-profit services designed to support public health, reduce poverty, and help individuals meet basic human needs
3	Development and Innovation	Research and Development

2. Composition of CSR committee

The Board of Directors has constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Act read with Rules made thereunder. The Composition and attendance of the Committee members at the CSR Committee meeting held during the financial year 2025-26 are as follows:

Name of the Committee member	Designation in the Company	No. of CSR Committee meetings held during the financial year	No. of CSR Committee meetings attended during the financial year
Mathew Mathaininan	Chairman Cum Whole-time Director	01	01
Richi Mathew	Managing Director	01	01
Dillark Justin	Independent Director	01	01
Antony Robert John	Independent Director	01	01

3. Web-link where CSR Policy approved by the Board is disclosed on the website of the Company: https://muthootenterprises.com/our-social-commitment

4. Executive summary along with web link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 if applicable: Not Applicable since as per the MCA circular Rule 8(3) (a), Company does not have an average CSR obligation of INR 10 Crore or more in the three immediately preceding financial years.

5.(a) Average net profit of the Company for the last 3 years as per sub-section (5) of Section 135: ₹ 10,440.50 Lakh

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 69.60 Lakh

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b) +(c)-(d)]: ₹ 69.60 Lakh

6.(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 69.60 Lakh

(b) Amount spent in administrative overheads: Nil

(c) Amount spent on impact assessment, if applicable: Not applicable

(d) Total amount spent for the financial year [(a)+(b)+(c)]: ₹ 69.60 Lakh

(e) CSR amount spent or unspent for the Financial Year: Nil

₹ in Lakh

Total amount spent for the financial year	Amount Unspent				
	Total amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
69.60 Lakhs	Not Applicable		Not Applicable		

(f) Excess amount for set-off, if any:

SN	Particular	Amount (₹ in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section 5 of Section 135	69.60
(ii)	Total amount spent for the financial year	69.60
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	-

7. **Details of unspent Corporate Social Responsibility amount for the preceding three financial years**:

SN	Preceding financial year(s)	Amount transferred to unspent CSR	Balance amount in unspent CSR	Amount spent in the financial	Amount transferred to a Fund as specified under Schedule	Amount remaining to be spent in	Deficiency, if any

		account under subsection (6) of Section 135 (in ₹)	account under subsection (6) of Section 135 (in ₹)	year (in ₹)	VII as per second proviso to subsection (5) of Section 135, if any		succeeding financial years (in ₹)	
					Amount (in ₹)	Date of transfer		
-	-	-	-	-	-	-	-	-

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year**: No.

9. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135**: Not Applicable

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Annexure II

FORM NO. AOC 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

   a) Name(s) of the related party and nature of relationship
   b) Nature of contracts/ arrangements/ transactions
   c) Duration of the contracts/ arrangements/transactions
   d) Salient terms of the contracts or arrangements or transactions including the value, if any
   e) Justification for entering into such contracts or arrangements or transactions
   f) Date of approval by the Board
   g) Amount paid as advances, if any:
   h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of Companies Act, 2013.

2. Details of material contracts or arrangement or transactions at arm's length basis:

SN	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)
1	Mathew Mathaininan & Ammini Mathew	Whole Time Directors	Rent paid	11 Months	As per the Lease Agreement executed between the Company and Mr. Mathew Mathaininan & Mrs. Ammini Mathew	09.04.2025	Rs.1.5 Crore was paid as security deposit
2	Richi Mathew Software Technologies Limited	Enterprise owned or significantly influenced by KMP or their relatives	Professional Fee	Nil	11 Lakhs	30/05/2025	Nil

3	Richi Mathew Securities Limited	Enterprise owned or significantly influenced by KMP or their relatives	Brokerage	Nil	20.02 Lakhs	30/05/2025	Nil

For and on behalf of the Board of Directors

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Thiruvananthapuram
25.09.2026

Annexure III

REPORT ON CORPORATE GOVERNANCE

1. **Company's philosophy**

The Company remains committed to its long-term goals, grounded in financial discipline, ethical conduct, transparency, and trust. Governance practices are deeply embedded in the Company's culture, ensuring fair consideration of all stakeholder interests. Guided by a diverse and experienced Board, supported by its Committees and robust governance mechanisms, the Company discharges its fiduciary responsibilities effectively. All operations are conducted in a compliant and well-governed manner, with a continued focus on maximizing stakeholder value. The Company believes that a good corporate governance system is necessary to ensure its long-term success. The Company ensures good governance through the implementation of effective policies and procedures, which are mandated and reviewed by the Board or the Committees of the Board.

2. **Board of Directors**

The Board of Directors of the Company comprises of personnel having vast experience in non-banking finance, management and business strategy. The Board plays a pivotal role in providing strategic direction and oversight. It meets regularly to deliberate on policy formulation, strategic planning, performance evaluation, governance matters, and key business and regulatory issues. As on 31st March 2026, the Board of Directors of the Company comprised seven (7) Directors, including three (3) Non-Executive Directors, of whom two (2) were Independent Directors, and three (3) Executive Directors, comprising two (2) Whole-Time Directors and one (1) Managing Director. Mr. Pathrose Ladislas was appointed as an Additional Director of the Company with effect from 2nd February 2026, and his tenure was up to the conclusion of the ensuing Annual General Meeting held on 30th September 2026.

All the Directors possesses requisite qualifications and experience in general corporate management, risk management, non-banking finance, human resource management, compliance and other allied fields which enable them to contribute effectively to the Company by providing valuable guidance and expert advice to the management and enhancing the quality of the Board's decision-making processes. The brief profile of the Directors of the Company is as follows:

SN	Name and designation of the Director	Profile
1	Mathew Mathaininan Chairman and Whole Time Director	He has a degree in Engineering from University of Mysore. He is associated with Muthoot Mercantile Limited since incorporation.
2	Richi Mathew Managing Director	He has a degree in Engineering from Mangalore University. He is associated with Muthoot Mercantile Limited since 2002.
3	Ammini Mathew Whole Time Director	She has a degree in English Literature from the Calicut University. She is associated with Muthoot Mercantile Limited since 1998.

4	Asha Richi Mathew Non-Executive Director	She is an MBA graduate from the Anna University of Technology, Tirunelveli. She is associated with Muthoot Mercantile Limited since 2022.
5	Dillark Justin Independent Director	He is a lawyer having 20 years of experience across various Courts in India. He has a degree in law and Masters in Business Law from the University of Kerala and possesses various other post graduate certifications.
6	Antony Robert John Independent Director	He is a teaching professional having 24 years of experience. He is a M.Com graduate from the University of Kerala and MBA graduate from Tamilnadu University.
7	Pathrose Ladislas Additional Director	He holds a degree in Bachelors of Science from the University of Kerala and Bachelor of Education (B.Ed.) from University of Calicut. He completed his Master of Arts (Sociology) from University of Kerala and Master of Arts from Madurai Kamaraj University.

The following table lays down the composition and category of Directors including their date of appointment, DIN, other directorships including names of listed companies where they serve as directors, Committee positions held by them in other Companies and their shareholding as on 31st March 2026 in the Company:

Name of Directors, Designation and DIN	**Category (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)**	**Director since**	**No. of Shares and convertible instruments held**	**Total no. of Directorships and Committee Positions held**			**Directorships in other listed companies**	
				Directorship	**Committee Membership**	**Committee Chairperson ship**	**Name of equity listed companies**	**Category of Directorship**
Mathew Mathaininan Chairman and Whole Time Director DIN: 00063078	Promoter Executive Director and Chairman	15.04.2005	1,56,46,833	4	7	5	Nil	Nil
Richi Mathew Managing Director DIN: 00224336	Promoter Executive Director	13.08.2018	1,30,07,317	6	8	Nil	Nil	Nil
Ammini Mathew Whole Time Director DIN: 00533771	Promoter Executive Director	15.07.2007	1,16,241	4	1	Nil	Nil	Nil

Asha Richi Mathew Non-Executive Director DIN: 05172361	Non- Executive Director	22.09.2022	21,85,125	4	1	Nil	Nil	Nil
Dillark Justin Independent Director DIN: 09771752	Non- Executive Independent Director	21.10.2022	Nil	Nil	5	Nil	Nil	Nil
Antony Robert John Independent Director DIN: 10213030	Non- Executive Independent Director	26.06.2023	Nil	Nil	8	3	Nil	Nil
Pathrose Ladislas Additional Director DIN: 11567957	Additional Director	02.02.2026	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. The total number of Directorships of a Director excludes his/ her directorships in the Company.
2. None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director by the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Reserve Bank of India or any such statutory authority.

a) Declaration from Independent Directors

The Company has received declarations from all its Independent Directors affirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, along with the applicable rules framed thereunder. Based on these declarations and the accompanying disclosures, the Board has reviewed and taken them on record. Upon such review, the Board is satisfied with the veracity of the submissions and has concluded that all Independent Directors are individuals of integrity, possessing the requisite expertise, proficiency, and experience necessary to qualify and continue as Independent Directors of the Company. Furthermore, the Board affirms that they remain independent of the management.

b) Fit and Proper Criteria

The Company has adopted a Fit and Proper Policy, in accordance with Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023, for ascertaining the Fit and Proper criteria of Directors at the time of appointment and on a continuing basis.

Accordingly, all the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed in Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 and that they are not disqualified from being appointed/ continuing as Directors in terms of Section 164 of the Companies Act, 2013.

c) Relationship between our Directors

There is no relationship between the Directors inter-se except Mr. Richi Mathew, Managing Director being the son of Mr. Mathew Mathaininan, Chairman and Whole Time Director and Mrs. Ammini Mathew, Whole Time Director and spouse of Mrs. Asha Richi Mathew, Non-Executive Director.

d) Presence/ Attendance of Directors in the meeting

The attendance of each Director at Board Meetings and the Annual General Meeting (AGM) held on held during the financial year 2025-26 are as below:

SN	Name of the Director	Board Meeting			Attended AGM held on 30.09.2024
		No of Meeting entitled to attend	No of Meeting attended	%	
1	Mathew Mathaininan (DIN: 00063078)	18	18	100	Yes
2	Richi Mathew (DIN: 00224336)	18	18	100	Yes
3	Ammini Mathew (DIN: 00533771)	18	18	100	Yes
4	Asha Richi Mathew (DIN: 05172361)	18	18	94	Yes
5	Dillark Justin (DIN: 09771752)	18	18	94	Yes
6	Antony Robert John (DIN: 10213030)	18	18	100	Yes
7	Pathrose Ladislas (DIN: 11567957)	3	3	100	Yes

f) Changes in composition of the Board

During the financial year under review, there was no change in the composition of the Board of Directors of the Company.

g) Core Skills/ Expertise/ Competencies of the Board of the Company

The Board comprises members with the appropriate qualifications, experience, and competencies that enable them to contribute effectively to the deliberations and decision-making processes during Board and Committee meetings. In this context, the following matrix outlines the key skills, expertise, and competencies identified as essential for the Company's effective functioning, considering the nature of its business and industry, along with those currently represented within the Board:

Core Skills/ Expertise/ Competencies	Board of Directors						
	1	2	3	4	5	6	7
	Mr. Mathew Mathaininan	Mr. Richi Mathew	Mrs. Ammini Mathew	Mrs. Asha Richi Mathew	Mr. Dillark Justin	Mr. Antony Robert John	Mr. Pathrose Ladislas
Technical Skills							
Accounting and Finance	√	√			√	√	√
Legal and Compliance	√	√			√	√	√
Information Technology and Digital	√	√			√	√	
Strategic Development and Execution	√	√	√	√	√	√	√
Industry Experience							
Financial Services sector in India	√	√	√	√	√	√	√
Knowledge of NBFC Sector	√	√	√	√	√	√	√
Personal Attribute							
Analytical skills to diagnose situation	√	√	√	√	√	√	√
Innovative thinker/ Visionary	√	√	√	√	√	√	√
Mentor	√	√	√	√	√	√	√

h) Meeting of Independent Directors

In compliance with Schedule IV of the Companies Act, 2013 a separate meeting of Independent Directors was held on Monday, 16th March 2026, for the financial year 2025-26, with all Independent Directors in attendance. At this meeting, the Independent Directors inter-alia evaluated the performance of the Non-Independent Directors & the Board as a whole and the performance of the Chairperson of the Company taking into account the views of Executive Directors and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation was carried on broad parameters such as Board Composition & quality, Board meetings and procedures, Knowledge and Skills, Strategy formulation and execution, Personal Attributes

and such other relevant factors. The Independent directors expressed their satisfaction towards the performance of the Board and the Non-Independent Directors of the Company.

3. **Committees of the Board and their Composition**

The Board of Directors of the Company, functions either as full Board, or through various Committees constituted to oversee specific areas of business operations and Corporate Governance. Each Committee of the Board is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees meet at regular intervals, focus on their assigned areas and make informed decisions within the authority delegated to them. As on 31st March 2026, the Board has 09 (nine) committees, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee
- Asset Liability Management Committee
- Corporate Social Responsibility Committee
- Internal Complaint Committee
- Debenture Allotment Committee
- Stakeholder Relationship Committee

During the financial year 2025-26, no instances have been observed where the Board has not accepted the recommendations of any of its committee.

a) Audit Committee

As on 31st March 2026, the Audit Committee of the Company comprised of 3 (three) members, comprising of Independent Directors. The members of the Committee are financially literate and learned, experienced and well known in their respective fields. During the year under review, 9 (Nine) Audit Committee Meetings were convened and were held on Friday, 30th May 2025, Saturday, 21st June 2025, Wednesday, 30th July 2025, Thursday, 14th August 2025, Friday, 22nd August 2025, Friday, 14th November 2025, Wednesday, 19th November 2025, Thursday, 12th February 2026 and Friday, 13th March 2026.

The required quorum was present for all the Audit Committee meetings. The composition and attendance details of the members of the Audit Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Richi Mathew	Managing Director	Member	09	09
Dillark Justin	Independent Director	Member	09	09
Antony Robert John	Independent Director	Chairperson	09	09

The role of audit committee shall classify into three. Review, Recommendation and approval

I. Review of the following

1. Financial reporting process and disclosure
2. Auditor's independence and performance, and effectiveness of audit process
3. Annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters included in the director's responsibility statement in board report (refer section 134(3) (c) of the Companies Act, 2013)
b. Changes in accounting policies and practices and reasons for the same
c. Major accounting entries involving estimates based on the exercise of judgment by management
d. Significant adjustments made in the financial statements arising out of audit findings
e. Compliance with legal requirements
f. Disclosure of related party transactions
g. Modified opinion(s) in the draft audit report

4. Performance of statutory and internal auditors, adequacy of the internal control systems and adequacy of internal audit function
5. Findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
6. Functioning of the whistle blower mechanism
7. End use of funds raised through public offers and related matters
8. Audit Committee shall mandatorily review the followings:

• Statement of related party transactions on quarterly basis.
• Management letters / letters of internal control weaknesses issued by the statutory auditors
• Internal audit reports relating to internal control weaknesses
• The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee

II. Approval of the following

1. Payment to statutory auditors for any other services.
2. Transactions and any subsequent modification of transactions with related parties read with policy on related party transactions.

III. Recommendation

1. Appointment, remuneration and terms of appointment of auditors of the company.

IV. Other Roles

1. Scrutiny of inter-corporate loans and investments
2. Evaluation of internal financial controls and risk management systems
3. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors
4. Discussion with internal auditors of any significant findings
5. Discussion with statutory auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

During the year, the Board has duly approved and accepted the recommendations of the committee.

b) Nomination and Remuneration Committee

As on 31st March 2026, the Nomination and Remuneration Committee of the Company comprised of 3 (three) members. During the year under review, 7 (Seven) Nomination and Remuneration Committee Meetings were convened and were held on July 15, 2025, August 22, 2025, October 15, 2025, November 07, 2025, February 02, 2026, February 12, 2026 and March 16, 2026.

The required quorum was present for all the Nomination and Remuneration Committee meetings. The composition and attendance details of the members of the Nomination and Remuneration Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Asha Richi Mathew	Non-Executive Director	Member	07	07
Dillark Justin	Independent Director	Member	07	07
Antony Robert John	Independent Director	Chairperson	07	07

The roles and responsibilities of the Nomination and Remuneration Committee are as follows:

1. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with criteria as laid down and recommend to Board their appointment and removal.

2. Ensure persons proposed to be appointed on the Board do not suffer any disqualifications for being appointed as a Director under the Companies Act, 2013.

3. Ensure that the proposed appointees have given their consent in writing to the Company.

4. Review and carry out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendations to the Board with regard to any changes.

5. Plan for the succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future.

6. Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board Vacancies as and when they arise.

7. Keep under review the leadership needs of the organization, both Executive and Non-Executive, with a view to ensuring the continued ability of the organization to compete efficiently in the market place.

8. Ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of services and involvement outside Board Meetings.

9. Determine and agree with the Board the framework for broad policy for criteria for determining qualifications, positive attitudes and independence of a Director and recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel and other employees

10. Review the on-going appropriateness and relevance of the remuneration policy.

11. Ensure that contractual terms of the agreement that Company enters into with Directors as part of their employment in the Company are fair to the individual and the Company.

12. Ensure that all provisions regarding disclosure of remuneration and Remuneration Policy as required under the Companies Act, 2013 or such other acts, rules, regulations or guidelines are complied with.

13. Devising a policy on diversity of Board of Directors.

14. Draft and submit a Remuneration Policy on Annual Basis for the approval of Board of Directors of the Company.

15. Sign and submit copies of the Minutes or Resolutions of the Meetings of the Committee with any judicial, quasi-judicial, regulatory, other government department or anyone concerned or interested in the matter signed by the Chairman of the Committee, whenever and wherever required.

16. Submit Minutes of the Committee Meetings at the subsequent meeting of Board of Directors of the Company for consideration and approval.

17. Review and submit an Annual Report for the approval of Board of Directors of the Company.

During the year, the Board has duly approved and accepted all the recommendations of the committee.

The Board of Directors adopted a policy of Nomination and Remuneration which includes the criteria for determining qualifications, positive attributes and Independence of Directors.

C. Risk Management Committee

As on 31st March 2026, the Risk Management Committee of the Company comprised of 6 (Six) members. During the year under review, 1 (One) Risk Management Committee Meetings were convened and were held on Thursday, January 15, 2026.

The required quorum was present for all the Risk Management Committee meetings. The composition and attendance details of the members of the Risk Management Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Chairperson	01	01
Richi Mathew	Managing Director	Member	01	01
Dillark Justin	Independent Director	Member	01	01

Antony Robert John	Independent Director	Member	01	01
Krishnamoorthy C	Deputy General Manager	Member	01	01
Bagavath Krishnan V	CFO	Member	01	01

The brief terms of reference of Risk Management Committee are as follows:

- Formulation of a detailed risk management policy which shall include framework for identification of internal and external risks faced by the Company and measures for risk mitigation including processes for internal control of identified risks.
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Monitoring and overseeing the implementation of the risk management policy, including evaluation of the adequacy of risk management systems.
- Periodically review the risk management policy.
- Assessment of the Company's risk profile and key areas of risk in particular.
- To carry out any other function as may be required / mandated by the Board from time to time and/ or mandated under applicable laws and regulations.

d. IT Strategy Committee

As on 31st March 2026, the IT Strategy Committee of the Company comprised of 5 (Five) members. During the year under review, 1 (one) IT Strategy Committee Meeting was convened and was held on Thursday, 15th January 2026.

The required quorum was present for all the IT Strategy Committee meetings. The composition and attendance details of the members of the IT Strategy Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Richi Mathew	Chairman and Whole-Time Director	Member	01	01
Antony Robert John	Independent Director	Member	01	01
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson	01	01
Shanthanu	Head Software Department	Member	01	01
Akhil Mohan	IT Support	Member	01	01

The brief terms of reference of IT Strategy Committee are as follows:

- Approving IT strategy and policy documents.
- Ensuring that the management has put an effective strategic planning process in place.
- Ratifying that the business strategy is indeed aligned with IT strategy.
- Ensuring that the IT organizational structure complements the business model and its direction.
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
- Becoming aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks.
- Reviewing IT performance measurement and contribution of IT to business of the Company.
- Perform any other duties as directed by the Board or required under applicable law.

e. Asset Liability Management Committee

As on 31st March 2026, the Asset Liability Management Committee of the Company comprised of 5 (Five) members. During the year under review, 2 (two) Asset Liability Management Committee Meetings were convened and were held on Wednesday, October 15, 2025 and Wednesday, February 25, 2026.

The required quorum was present for all the Asset Liability Management Committee meetings. The composition and attendance details of the members of the Asset Liability Management Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson	02	02
Richi Mathew	Managing Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02
Krishnamoorthy C	Deputy General Manager	Member	02	02
Bagavath Krishnan V	CFO	Member	02	02

The brief terms of reference of Asset Liability Management Committee are as follows:

- Understanding business requirement and devising appropriate pricing strategy.
- Management of profitability by maintaining relevant Net interest margin.
- Ensuring liquidity through maturity matching.
- Ensuring adherence to the risk tolerance/ limits set by the Board as well as implementing the liquidity risk management strategy of the Company.
- Management of balance sheet in accordance with internal policies and applicable regulatory requirements.
- Review reports on liquidity, market risk and capital management.
- Perform any other duties as directed by the Board or required under applicable law.

f. Corporate Social Responsibility Committee

As on 31st March 2026, the Corporate Social Responsibility Committee of the Company comprised of 4 (four) members. During the year under review, 1 (one) Corporate Social Responsibility Committee Meetings were convened and were held on Monday, 21st April 2025.

The required quorum was present for all the Corporate Social Responsibility Committee meetings. The composition and attendance details of the members of the Corporate Social Responsibility Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Member	01	01
Richi Mathew	Managing Director	Member	01	01
Dillark Justin	Independent Director	Member	01	01
Antony Robert John	Independent Director	Chairperson	01	01

The brief terms of reference of Corporate Social Responsibility Committee are as follows:

- Formulate and recommend the CSR Policy and annual action plan in line with Schedule VII of the Companies Act, 2013.
- Recommend CSR activities and the amount of expenditure to be incurred.
- Monitor implementation of CSR projects and ensure compliance with applicable laws.
- Coordinate with and review the performance of implementing agencies.
- Review CSR expenditure and submit the annual CSR report to the Board.
- Ensure proper utilization and tracking of CSR funds.
- Recommend setting off excess CSR spending, if applicable.
- Assess effectiveness of CSR initiatives and recommend improvements.
- Report regularly to the Board on relevant CSR matters.
- Perform any other duties as directed by the Board or required under applicable law.

g. Debenture Allotment Committee

As on 31st March 2026, the Debenture Allotment Committee of the Company comprised of 4 (four) members. During the year under review, 8 (Eight) Debenture Allotment Committee Meetings were convened and were held on April 09, 2025, April 21, 2025, May 30, 2025, June 11, 2025, July, 31, 2025, November 05, 2025, December 01, 2025, December 19, 2025 The required quorum was present for all the Debenture Allotment Committee meetings. The composition and attendance details of the members of the Debenture Allotment Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman and Whole-Time Director	Chairperson	08	08
Richi Mathew	Managing Director	Member	08	08
Antony Robert John	Independent Director	Member	08	08
Krishnamoorthy C	Deputy General Manager	Member	08	08

The brief terms of reference of Debenture Allotment Committee are as follows:

- To approve the terms of offer of Non-Convertible Debentures (NCDs) through private placement and public issue.
- To approve issue, subscription and allotment of NCDs to eligible and/ or identified investors.
- To approve the opening of issue, terms of issue, issue price, application form, offer document for private placement and public issue of NCDs, including addendum/ corrigendum and all the matters related thereto.
- To authorize officers, consultants, advisors or any concerned person/ entity to submit, file, resubmit, modify, sign, execute, process documents and information to obtain necessary approvals and consents from government, regulatory, statutory and authorities.
- Perform any other duties as directed by the Board or required under applicable law.

h. Internal Complaint Committee

As on 31st March 2026, the Internal Complaint Committee of the Company comprised of 4 (Four) members. During the year under review, 1 (one) Internal Complaint Committee Meeting was convened and were held on Thursday, 15th January 2026

The required quorum was present for all the Internal Complaint Committee meetings. The composition and attendance details of the members of the Internal Complaint Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Ammini Mathew	Whole-time Director	Presiding Officer	01	01
Mathew Mathaininan	Chairman Cum Whole-time Director	Member	01	01
Richi Mathew	Managing Director	Member	01	01
Ms. Manju	Advocate	Member	01	01

The brief terms of reference of Internal Complaint Committee are as follows:

- Implementation of the POSH Policy relating to the prevention of sexual harassment.
- To record reports of sexual harassment against working women, to carry out investigations, and to offer support.

- Resolving complaints by the aggrieved and recommending actions to be taken.
- To initiate an inquiry into a complaint of sexual harassment at the workplace.
- Maintain strict confidentiality throughout the process as per established guidelines.

i. Stakeholder Relationship Committee

As on 31st March 2026, the Stakeholder Relationship Committee of the Company comprised of 3 (three) members. During the year under review, 2 (two) Stakeholder Relationship Committee Meetings were convened and were held on February 12, 2026 and March 16, 2026.

The required quorum was present for all the Stakeholder Relationship Committee meetings. The composition and attendance details of the members of the Stakeholder Relationship Committee are given below:

Name of Committee members	Designation in the Company	Position held in the Committee	No. of Meetings of the Committee	
			Held	Attended
Mathew Mathaininan	Chairman Cum Whole-time Director	Chairperson	02	02
Richi Mathew	Managing Director	Member	02	02
Dillark Justin	Independent Director	Member	02	02
Antony Robert John	Independent Director	Member	02	02

The brief terms of reference of Stakeholder Relationship Committee are as follows:

- To consider and look into various aspects of interest of shareholders, debenture holders and other security holders.
- To consider and resolve the grievances of security holders of the Company including compliance related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/ duplicate certificates, general meetings etc.
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time.
- To give effect to allotment of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities.
- Reference to authorities regarding investor grievances.
- Perform any other duties as directed by the Board or required under applicable law.

3. Annual Performance Evaluation

The Board of Directors has carried out an annual performance evaluation of its own performance, its Committees and the Directors individually including Independent Directors based out of the criteria and framework adopted by the Board. The Nomination and Remuneration Committee has carried out evaluation of every director's performance. The Board approved the evaluation as collated by the Nomination and Remuneration Committee.

During the year under review, a separate meeting of Independent Directors was held on Monday, 16th March 2026. At this meeting, the Independent Directors inter alia evaluated the performance of Non-Independent Directors and the Board as a whole, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness flow of information between the management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

The criteria for performance evaluation of Committees, Board as a whole, Independent Directors and other Directors provide certain parameters like:

- Participation at the Board/ Committee meetings.
- Commitment (including guidance provided to senior management outside of Board/ Committee meetings).
- Effective deployment of knowledge and expertise.
- Updated knowledge/ information pertaining to business of the Company.
- Effective management of relationship with stakeholders.
- Integrity and maintaining of confidentiality.
- Independence of behavior and judgment.
- Impact and influence.
- Ability to contribute to and monitor corporate governance practice
- Adherence to the code of conduct for independent directors.

The Directors expressed their satisfaction on the parameters of evaluation, the implementation of the evaluation exercise and the outcome of the evaluation process.

4. Senior Management Personnel

The particulars of Senior Management Personnel of the Company, during the financial year under review as follows:

SN	Name	Designation
1	Bagavath Krishnan V	CFO
2	Prashanth	Chief Manager (North Region)
3	Rupesh Vatanapally Haridas	CS

5. Remuneration to Directors

The details of the remuneration paid to the Directors during the fiscal year 2026, fiscal year 2025 and fiscal year 2024 under review is as follows:

Name of Directors	Designation	Fiscal 2026	Fiscal 2025	Fiscal 2024
Mathew Mathaininan	Whole-Time Director	115.53	195.44	94.76
Richi Mathew	Managing Director	91.84	245.99	145.76
Ammini Mathew	Whole-Time Director	17.24	24.42	25.15
Asha Richi Mathew	Director (Non-executive)	11.01	12.45	13.15
Antony Robert John	Director (Independent and Non- executive)	0.63	0.45	0.85
Dillark Justin	Director (Independent and Non- executive)	0.09	0.36	0.85
Pathrose Ladislas	Additional Director	0.03	Nil	Nil

6. General Meetings

The details of the Annual General Meetings, Extra-ordinary General Meetings held during the year under review are as follows:

Financial year	Date	Time	Venue	Special Resolutions passed
2024-25 (AGM)	Monday, 29th September 2025	03.00 PM	'Muthoot Floors', 1st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	• To adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March 2025 together with the report of the Board of Directors and Auditors thereon. • To appoint a Director in place of Mrs. Ammini Mathew, who retires by rotation and being eligible, offers herself for re-appointment • To consider issuance of Subordinated Debts in the nature of promissory note for the Financial Year 2025-26 • To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company

2025-26 (EGM)	Saturday, 12th April 2025	11.00 AM	'Muthoot Floors', 1st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	• Alteration of Object Clause of Memorandum of Association
2025-26 (EGM)	Thursday, 31st July 2025	03.00 PM	'Muthoot Floors', 1st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	• Alteration of Authorized Share Capital of the Company • Appointment of Mohandas & Associates, Chartered Accountants as Statutory Auditors of the Company • Approval to enter into related party transaction with Mr. Mathew Mathaininan and Mrs. Ammini Mathew • Approval to enter into related party transaction with Mr. Mathew Mathaininan and Mr. Richi Mathew
2025-26 (EGM)	Monday, 23rd February 2026	11.00 AM	'Muthoot Floors', 1st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014	• Alteration of Authorized Share Capital of the Company • Approval of issuance of Bonus Shares

All the resolutions transacted at the both AGM and EGM were passed by the requisite majority of Members of the Company.

7. Postal Ballot

During the financial year 2025-26, no resolutions have been passed through postal ballot. Further, there is no proposal to transact any business that requires the passing of resolution through postal ballot.

8. Means of Communication

The Company is committed to upholding the highest standards of transparency in its communication practices. To achieve this, the Company has implemented procedures to disseminate pertinent information in a systematic manner to its shareholders, debenture holders, lenders and other stakeholders. The quarterly, half yearly and annual results were published in newspapers. The Company is also maintaining a functional website wherein the communications are updated. The Annual Report containing the Audited Financial Statements, Auditors' Reports, Boards' Report and other information are circulated to the Members and others entitled thereto. All the disclosures and communications to be filed with the stock exchange were submitted through e-filing platform/ email.

9. General Information

<table>
<tr><td>1</td><td>Annual General Meeting</td><td>Date: 30th September 2026
Time: 03.00 PM
Venue: ‘Muthoot Floors’, 1st Floor, North Block, W&C Hospital, Thycaud, Thiruvananthapuram, Kerala-695014</td></tr>
<tr><td>2</td><td>Financial Year</td><td>The Company follows financial year starting from 01st April to 31st March every year</td></tr>
<tr><td>3</td><td>Dividend payment date</td><td>The Board has not recommended any dividend for the financial year 2025-26</td></tr>
<tr><td>4</td><td>Listing on Stock Exchange</td><td>NCDs issued by the Company through Public Issue are listed in BSE Limited.

Further, the Company has paid Annual Listing Fees to BSE Limited, where its NCDs are listed.</td></tr>
<tr><td>5</td><td>Scrip Code</td><td>The ISINs/ scrip codes pertaining to NCDs, which are listed on BSE Limited are as follows:

<table>
<tr><th>ISIN</th><th>Scrip Code</th></tr>
<tr><td>INE05F407BG5</td><td>939082</td></tr>
<tr><td>INE05F407BM3</td><td>939084</td></tr>
<tr><td>INE05F407BH3</td><td>939086</td></tr>
<tr><td>INE05F407BO9</td><td>939088</td></tr>
<tr><td>INE05F407BB6</td><td>939090</td></tr>
<tr><td>INE05F407BL5</td><td>939092</td></tr>
<tr><td>INE05F407BJ9</td><td>939094</td></tr>
<tr><td>INE05F407BQ4</td><td>939096</td></tr>
<tr><td>INE05F407AZ7</td><td>939098</td></tr>
<tr><td>INE05F407CI9</td><td>939493</td></tr>
<tr><td>INE05F407CG3</td><td>939495</td></tr>
<tr><td>INE05F407CB4</td><td>939497</td></tr>
<tr><td>INE05F407CD0</td><td>939499</td></tr>
<tr><td>INE05F407CH1</td><td>939501</td></tr>
</table>
</td></tr>
</table>

			INE05F407CC2	939503
			INE05F407CE8	939505
			INE05F407CP4	939707
			INE05F407CN9	939709
			INE05F407CM1	939711
			INE05F407CQ2	939713
			INE05F407CO7	939715
			INE05F407CL3	939717
			INE05F407CR0	939719
			INE05F407DA4	940145
			INE05F407CT6	940147
			INE05F407CW0	940149
			INE05F407CX8	940151
			INE05F407CY6	940153
			INE05F407CZ3	940155
			INE05F407DB2	940157
			INE05F407DC0	940279
			INE05F407DD8	940281
			INE05F407DG1	940283
			INE05F407DF3	940285
			INE05F407DE6	940287
			INE05F407DK3	940543
			INE05F407DH9	940545
			INE05F407DJ5	940547
			INE05F407DI7	940549
			INE05F407DL1	940551

		INE05F407DM9	940819
		INE05F407DN7	940821
		INE05F407DR8	940823
		INE05F407DO5	940825
		INE05F407DP2	940829
		INE05F407DT4	940831
		INE05F407DQ0	940833
		INE05F407DU2	940835
		INE05F407DX6	941089
6	Registrar and Share Transfer Agent	KFin Technologies Limited 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kural West, Mumbai-400070, Maharashtra Website: https://www.kfintech.com/ Ph. No.: +91-40 6716 2222	
7	Share transfer system	All the equity shares of the Company are in dematerialized form, hence there is no physical transfer of equity shares. All the NCDs of the Company are in dematerialized form, hence there is no physical transfer of NCDs.	
8	Distribution of shareholding	Promoter and promoter group – 100% General public - Negligible	
9	Dematerialization of shares and liquidity	The equity shares of the Company are identified by the ISIN: INE05F401013. As of 31st March 2026, all equity shares of the Company are held in dematerialized form.	
10	Branch locations	During the financial year under review, the Company had network of 323 branches across the States of Tamil Nadu, Kerala, Delhi, Haryana, Maharashtra, Madhya Pradesh, Odisha, Punjab, Uttar Pradesh, Rajasthan, West Bengal and Gujarat.	
11	Address for correspondence	Mr. Rupesh Vatanapally Haridas Company Secretary and Chief Compliance Officer Muthoot Mercantile Limited Address: 'Muthoot Floors', 1st Floor, North Block, W&C Hospital, Thycaud,	

		Thiruvananthapuram, Kerala-695014 Mail id: cs@muthootenterprises.com Website: Muthoot Mercantile Limited Tel No.: 0471-2774800
12	Credit Ratings	CRISIL Limited; Rs.450 Crore Non Convertible Debentures-CRISL BBB+/Stable Acuite Ratings and Research Limited Bank Loan Ratings-400 Crores Non Convertible Debentures-400 Crores Commercial Paper-50 Crores- ACUITE A-/Stable

10. Other Disclosures

a. Related Party Transactions

The related party transactions that were entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant transactions made by the Company with the related parties either individually or taken together with the previous transactions which may have a potential conflict with the interest of the Company at large. Further, as per the requirements of Ind AS, the transactions with related parties are disclosed in the financial statements of the Company. The Company has adopted a Related Party Transactions Policy for the purpose of identification, monitoring and approving of such transactions.

b. Details of non-compliance, penalties, strictures imposed

Except as disclosed below, there were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI or any other statutory authority on any matter related to capital market during the last three financial years:

Stock Exchanges had imposed certain SOP fines on the Company for violations of SEBI Regulations. The Company has duly remitted the fines in compliance with the order.

c. Whistle Blower Policy/ Vigil Mechanism

The Company has established vigil mechanism as per Section 177(9) of the Companies Act, 2013 to encourage employees to report suspected legal violations, fraudulent or irregular conduct of an employee or business associate of the Company. Such incidents, if not reported would breach trust and endanger the Company's reputation. Through this mechanism, the Company provides a channel to the employees and Directors to report to the management about unethical behavior, actual or suspected fraud or violation of the codes of conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Company has a Vigil Mechanism/ Whistle Blower Policy ('Policy') to deal with instances of fraud and mismanagement, if any. This Policy ensures that strict confidentiality is maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern. During the year, no whistle blower event was reported, and mechanism is functioning well and no personnel has been denied access to the Chairman of Audit Committee.

d. Web-link where policy for determining 'material' subsidiaries is disclosed

Since, the Company does not have any subsidiary formulation of Policy for determining 'material' subsidiaries is not applicable to the Company.

e. Disclosure of commodity price risks and commodity hedging activities

Not Applicable, since the Company does not have any derivatives denominated in foreign currency.

f. Details of outstanding NCDs as on 31st March 2026

Details of utilization of proceeds of public issue of NCDs during the financial year under review:

ISIN	Type of Charge	Allotted Amount (in Lakhs)	Outstanding as on 31st March 2026	Any deviation (Yes/ No)
INE05F407AZ7	Pari-passu	1251.32	1251.32	No
INE05F407BB6	Pari-passu	1188.78	1188.78	No
INE05F407BG5	Pari-passu	1046.72	1046.72	No
INE05F407BH3	Pari-passu	381.38	381.38	No
INE05F407BJ9	Pari-passu	37.01	37.01	No
INE05F407BL5	Pari-passu	1030.72	1030.72	No
INE05F407BM3	Pari-passu	881.42	881.42	No
INE05F407BO9	Pari-passu	268.86	268.86	No
INE05F407BQ4	Pari-passu	104.05	104.05	No
INE05F407CB4	Pari-passu	1151.83	1151.83	No
INE05F407CC2	Pari-passu	112.76	112.76	No
INE05F407CD0	Pari-passu	349.5	349.5	No
INE05F407CE8	Pari-passu	784.84	784.84	No
INE05F407CG3	Pari-passu	142.81	142.81	No
INE05F407CH1	Pari-passu	732.43	732.43	No
INE05F407CI9	Pari-passu	250.9	250.9	No
INE05F407CL3	Pari-passu	71.3	71.3	No
INE05F407CM1	Pari-passu	2556.9	2556.9	No
INE05F407CN9	Pari-passu	286.42	286.42	No
INE05F407CO7	Pari-passu	1473.7	1473.7	No
INE05F407CP4	Pari-passu	276.18	276.18	No

INE05F407CQ2	Pari-passu	447.79	447.79	No
INE05F407CR0	Pari-passu	1171.5	1171.5	No
INE05F407CT6	Pari-passu	182.39	182.39	No
INE05F407CW0	Pari-passu	1625.13	1625.13	No
INE05F407CX8	Pari-passu	381.5	381.5	No
INE05F407CY6	Pari-passu	919.59	919.59	No
INE05F407CZ3	Pari-passu	67.46	67.46	No
INE05F407DA4	Pari-passu	143.42	143.42	No
INE05F407DB2	Pari-passu	1028.74	1028.74	No
INE05F407DC0	Pari-passu	879.78	879.78	No
INE05F407DD8	Pari-passu	987.03	987.03	No
INE05F407DE6	Pari-passu	930.19	930.19	No
INE05F407DF3	Pari-passu	757.07	757.07	No
INE05F407DG1	Pari-passu	2301.18	2301.18	No
INE05F407DK3	Pari-passu	1476.45	1476.45	No
INE05F407DH9	Pari-passu	1500.22	1500.22	No
INE05F407DJ5	Pari-passu	3273.08	3273.08	No
INE05F407DI7	Pari-passu	1286.63	1286.63	No
INE05F407DL1	Pari-passu	1322.79	1322.79	No
INE05F407DM9	Pari-passu	1918.78	1918.78	No
INE05F407DN7	Pari-passu	2996.47	2996.47	No
INE05F407D05	Pari-passu	618.8	618.8	No
INE05F407DP2	Pari-passu	2007.65	2007.65	No
INE05F407DQ0	Pari-passu	1727.94	1727.94	No
INE05F407DR8	Pari-passu	922.21	922.21	No
INE05F407DS6	Pari-passu	1381.47	1381.47	No
INE05F407DT4	Pari-passu	158.43	158.43	No
INE05F407DU2	Pari-passu	2299.85	2299.85	No

g. Remuneration to Statutory Auditors

The details of total fees paid to M/s. Mohandas & Associates, Chartered Accountants (FRN: 002116S), Statutory Auditors of the Company during the financial year 2025-26 is given

below:

Particulars	(₹ in Lakh)
Statutory Audit fees	10.00
Tax Audit Fees	1.50
Other services	5.00
Total	16.50

h) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual through various intentions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), amended as on date. The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with POSH Act which offers comprehensive protections to all employees are covered under this policy.

Following is the summary of sexual harassment complaints received and disposed off by the Company during the year under review:

No. of complaints at the beginning of the year	Nil
No. of complaints Received during the year	Nil
No. of complaints disposed off during the year	Nil
No. of complaints at the end of the year	Nil

i) The Company has not provided any loans and advances in the nature of loans to firms/ companies in which directors are interested.

j) The Company adheres to the guidelines issued by the Reserve Bank of India ('RBI') and seeks to promote good and fair practices by setting minimum standards in dealing with customers while doing lending business.

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Annexure IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Inflation and interest rate movements continued to influence consumption, investment and the cost of borrowing. Central banks across major economies adjusted their monetary policy positions in response to changing inflation trends and economic conditions. These developments had implications for capital flows, exchange rates and funding costs, particularly in emerging markets and developing economies.

Looking ahead, global economic performance will depend on the evolution of geopolitical developments, international trade relations, inflation and monetary policy. For Indian financial services companies, these factors may influence funding costs, investor sentiment, gold prices and the demand for credit.

2. Indian Economic Overview

India's economy maintained a strong growth trajectory during FY 2025–26, supported by domestic consumption, investment activity, infrastructure development and the continued expansion of the services sector. According to the Government of India's provisional estimates released in June 2026, real GDP grew by 7.7% during FY 2025–26, compared with 7.1% in FY 2024–25. These estimates are provisional and may be revised.

Government expenditure on infrastructure, digitalization, manufacturing and financial inclusion continued to support economic activity. The expansion of digital payment systems and financial technology also improved access to financial services for individuals and businesses.

Despite the positive growth outlook, the economy remained exposed to global trade uncertainties, commodity price volatility, inflationary pressures and fluctuations in capital flows. These factors may affect household purchasing power, borrowing costs and credit demand.

The outlook for FY 2026–27 will depend on domestic consumption, private investment, infrastructure spending and the broader global economic environment. Continued regulatory oversight and prudent credit practices will remain important for the sustainable growth of the financial services industry.

3. Indian Financial Services Sector Overview

India's financial services sector continued to evolve during FY 2025–26, supported by digital financial infrastructure, wider access to formal credit and increasing adoption of technology in financial operations. Banks and Non-Banking Financial Companies (NBFCs) continued to play an important role in meeting the financing requirements of individuals, small businesses and underserved segments.

Regulatory developments remained an important feature of the financial services environment. The Reserve Bank of India continued to focus on governance, asset quality, responsible lending, customer protection and risk management. These priorities require financial institutions to maintain appropriate internal controls, robust compliance systems and effective monitoring of credit exposures.

Digital on boarding, automated processing, data analytics and technology-enabled customer services continued to provide opportunities to improve operational efficiency and accessibility. At the same time, cyber security, data protection, fraud prevention and technology-related operational risks remained important considerations.

Going forward, sustainable growth in the financial services sector will depend on prudent lending practices, diversified funding sources, effective risk management and continued investment in technology and compliance infrastructure.

4. Industry Scenario and Financing

The NBFC sector continued to be an important component of India's financial system during FY 2025–26, supporting credit delivery to individuals, small businesses and segments that may not be adequately served by traditional banking channels. NBFCs remained relevant in providing specialized lending products and improving access to finance.

The regulatory environment continued to emphasize governance, capital adequacy, asset quality, liquidity management and risk-based supervision. NBFCs were required to maintain appropriate systems for monitoring credit risk, managing funding requirements and complying with applicable regulatory directions.

Competition from banks, Fintech companies and other financial institutions continued to influence pricing, customer acquisition and service delivery. Technology-led lending processes and data-driven credit assessment offered opportunities to improve operational efficiency, subject to appropriate controls and regulatory compliance.

During the year, the RBI issued comprehensive Directions on Lending Against Gold and Silver Collateral on 6 June 2025, establishing a harmonized framework for regulated entities lending against eligible gold and silver collateral. The directions addressed matters including borrower assessment, loan-to-value limits, collateral handling and customer protection, with implementation requirements applicable under the prescribed timelines.

For gold-loan NBFCs, the regulatory framework reinforces the importance of appropriate valuation, loan-to-value monitoring, transparent customer communication, secure custody of pledged jewellery and effective auction procedures.

The outlook for the NBFC sector will depend on the quality of credit underwriting, access to cost-effective funding, operational efficiency and the ability to adapt to regulatory and market developments. The Company will continue to focus on responsible lending, customer service, risk management and compliance with applicable regulatory requirements.

5. Gold Market

Gold continued to be an important asset for households and investors during FY 2025–26, serving as a store of value and a source of financial security. International economic uncertainty, geopolitical developments, central bank activity and investment demand influenced gold prices and market sentiment during the year.

In India, gold continued to have significant cultural and financial importance, particularly in connection with household savings, jewellery purchases and family commitments. Changes in gold prices influenced consumer purchasing decisions, with higher prices affecting jewellery affordability and the value of existing gold holdings.

Fluctuations in gold prices also have implications for gold-loan businesses. Rising gold prices may increase the collateral value of pledged jewellery, while price volatility requires lenders to maintain appropriate valuation practices and monitor loan-to-value ratios. Market movements may also affect customer demand, repayment behavior and the recovery value of collateral.

The gold market is expected to remain influenced by global economic conditions, interest rate movements, currency fluctuations, geopolitical developments and domestic consumer demand. For gold-loan lenders, prudent collateral valuation and effective risk monitoring will remain essential.

6. Gold Loans

Gold loans continued to serve as an accessible financing option for individuals, small businesses and micro-enterprises requiring funds for personal, household and business purposes. The availability of gold jewellery as collateral enables borrowers to access secured credit without necessarily disposing of their gold assets.

During FY 2025–26, the gold-loan industry continued to operate in a competitive environment involving banks and NBFCs. Customer expectations regarding turnaround time, transparent pricing, convenient repayment options and service quality continued to influence the delivery of gold-loan products.

Regulatory developments during the year, particularly the RBI's Lending Against Gold and Silver Collateral Directions, 2025, highlighted the importance of responsible lending, borrower assessment, collateral valuation and customer protection. The Company will need to ensure that its lending practices and operating procedures remain aligned with the applicable requirements.

The outlook for the gold-loan industry remains linked to gold prices, household financing requirements, competitive lending rates and the ability of lenders to maintain sound credit and operational controls. The Company will continue to focus on customer accessibility, prudent lending and the secure management of pledged gold.

7. Human Resources

Human resources remain an important component of the Company's operational effectiveness and business development. The Company recognizes the importance of attracting, developing and retaining employees with the skills and experience required to support its business objectives.

During FY 2025–26, the Company continued to rely on its workforce to support business operations, customer service and the administration of its gold-loan portfolio. Employee development, operational efficiency, workplace safety and adherence to internal policies remain important priorities.

The Company aims to foster a professional and inclusive working environment based on integrity, accountability, equal opportunity and mutual respect. It also recognizes the importance of appropriate training, performance monitoring and employee engagement in maintaining service quality and operational standards.

The Company will continue to focus on strengthening employee capabilities, improving productivity and supporting the development of a competent workforce in line with its business requirements.

Information to be updated before finalization: Insert the number of employees as at 31 March 2026 and the net increase or decrease in employee strength during FY 2025–26. The employee count of 1,330 as at 31 March 2026 should be retained only as the comparative figure, if verified against the Company's records.

8. Risk Management

Risk management remains an integral part of the Company's business strategy and corporate governance framework. As a gold-loan NBFC, the Company is exposed to credit risk, market risk, liquidity risk, interest rate risk, operational risk, regulatory and compliance risk, information technology risk and other risks arising from changes in the economic environment.

Gold-price volatility is particularly relevant to the Company's operations because changes in gold prices can affect collateral values and loan-to-value ratios. Accordingly, appropriate gold valuation procedures, monitoring of collateral adequacy, secure custody arrangements and compliance with applicable lending and auction requirements are important components of the Company's risk management framework.

The Company also recognizes the importance of liquidity management and diversified funding sources in meeting its financial obligations and supporting business operations. Changes in borrowing costs, credit conditions and market liquidity may affect profitability and the availability of funds.

The Company maintains internal policies, operational procedures and control mechanisms to support the identification, assessment and mitigation of risks. The Board of Directors and its Committees, as applicable, oversee risk management and review relevant policies and controls.

Internal controls relating to financial reporting, regulatory compliance, fraud prevention and operational activities are intended to safeguard the Company's assets and support the accuracy and reliability of its records. Internal audits and management reviews contribute to identifying control gaps and facilitating corrective action.

The Company will continue to strengthen its risk management and internal control framework in accordance with applicable regulatory requirements and evolving business risks.

9. Company Overview

Muthoot Mercantile Limited (the "Company"), a unit of the Muthoot Ninan Group, is a non-banking financial company engaged primarily in providing loans against gold jewellery. Incorporated in 1997 as a public limited company, the Company was registered with the Reserve Bank of India as an NBFC in 2002.

The Company commenced its operations in Thiruvananthapuram, Kerala, and has developed its gold-loan business to serve customers requiring access to secured credit. Its business model focuses on lending against household gold jewellery, providing customers with access to funds for personal and other eligible financing requirements.

The Company offers gold-loan products designed to address varying customer requirements, including differences in loan amounts, interest rates and repayment arrangements. Its operations focus on providing accessible credit, efficient service and appropriate assessment and management of pledged gold collateral.

During FY 2025–26, the Company continued to operate in a competitive gold-loan market characterized by fluctuations in gold prices, evolving customer requirements and regulatory developments. The launch of the GL MAX gold-loan product on 18 March 2026 marked a product development during the year. The product was introduced with interest rates of 22%, 24% and 27%, subject to the applicable product terms and conditions. The Company will continue to focus on developing its product offerings in line with customer requirements and applicable regulatory norms.

Financial performance

During FY 2025–26, the Company's profit increased to ₹5,334.71 lakh, compared with ₹2,808.93 lakh in FY 2024–25. Interest income increased to ₹24,412.19 lakh from ₹16,307.19 lakh in the previous financial year, reflecting growth in the Company's income from its lending activities.

The Company's continued focus on its gold-loan business, customer service and operational performance remains central to its business strategy. Going forward, the Company intends to focus on sustainable business growth, prudent lending, effective risk management and compliance with applicable laws and regulatory requirements.

Utilization of Proceeds of Public Issue of Non Convertible Debentures

During the year, the Company has raised Rs.28,746.02 Lakhs (Previous year Rs. 20,707.77 Lakhs) through Public Issue of Secured Non Convertible Debentures. As at 31st March 2026, the Company has utilized the entire proceeds of public issue, net of issue expenses in accordance with the objects in the offer documents.

1. Financial Summary and Highlights

The Company's financial performance for the financial year ended 31st March 2026 and corresponding figures for the financial year ended 31st March 2025 are in the following table:

₹ in Lakhs

Description	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from operations	24,686.13	16,407.03
Other Income	192.92	235.59
Gross Income	**24,879.06**	**16,642.62**
Total Expenditure (excluding Finance Cost and Depreciation)	5705.69	4,580.33
Profit Before Finance Cost and Depreciation	**19,173.37**	**12,062.29**
Less: Finance Cost	10,752.77	7,297.38
Less: Depreciation	1,135.16	962.19
Profit Before Tax	**7,285.44**	**3,802.72**
Total Tax Expenses (Current and Deferred)	1,950.73	993.79
Profit After Taxation	**5,334.71**	**2,808.93**
Other Comprehensive Income/ (Expense) (Net of Tax)	53.94	(45.98)
Total Comprehensive Income for the period	**5,388.65**	**2,762.95**
Description	**Year ended 31st March 2025**	**Year ended 31st March 2024**
Revenue from operations	16,407.03	13,119.01
Other Income	235.59	58.90
Gross Income	**16,642.62**	**13,177.91**
Total Expenditure (excluding Finance Cost and Depreciation)	4,580.33	3,646.02
Profit Before Finance Cost and Depreciation	**12,062.29**	**9,531.89**

Less: Finance Cost	7,297.38	5,374.45
Less: Depreciation	962.19	863.60
Profit Before Tax	**3,802.72**	**3,293.84**
Total Tax Expenses (Current and Deferred)	993.79	866.00
Profit After Taxation	**2,808.93**	**2,427.84**
Other Comprehensive Income/ (Expense) (Net of Tax)	(45.98)	11.77
Total Comprehensive Income for the period	**2,762.95**	**2,439.61**
Appropriations		
Transfer to Impairment Reserve	--	157.86
Transfer to Statutory Reserve	561.79	505.92
Earnings Per Share		
Basic (in ₹)	7.71	7.95
Diluted (in ₹)	7.71	7.95

The Company achieved a net profit of ₹ 5,334.71 Lakh for the financial year ended 31st March 2026 as compared to ₹ 2,808.93 Lakh for the financial year ended 31st March 2025, registering an impressive year on year growth of 89.92%, driven by the robust growth in gold loan and on boarding of new customers. Profit before tax was at ₹ 7,285.44 Lakh for the financial year ended 31st March 2026 as compared to ₹ 3,802.72 Lakh for the financial year ended 31st March 2025.

Total income has increased to ₹ 24,879.06 Lakhs for the financial year ended 31st March 2026 from ₹ 16,642.62 Lakh for the financial year ended 31st March 2025, primarily on account of increase in Interest income of the Company. Interest income of the Company increased to ₹ 24,412.19 Lakh from the previous year's interest income of ₹ 16,307.19 Lakh, a year on year growth of 49.70%.

2. Resource Mix

Borrowings:

As on 31st March 2026, the Company had outstanding total borrowings of ₹ 108673.95 Lakh as follows:

SN	Nature of Borrowings	Amount Outstanding (₹ in Lakh)
1	Debt Securities	52317.17
2	Borrowings (Other than Debt Securities)	35305.27
	Subordinated Liabilities	21051.51

Assets under Management (AUM)

During the period under review, the AUM of the Company stood at ₹ 1,30,596.18 Lakh as on 31st March 2026 against ₹ 89,673.47 Lakh as on 31st March 2025.

Debt to Equity ratio (Leverage ratio)

The debt equity ratio of the Company as on 31st March 2026 was 4.53 times. As per the prudential norms, the leverage ratio of NBFCs (except NBFC-MFIs, NBFCs-ML and above) shall not be more than 7 at any point of time and the debt equity ratio of the Company is within the stipulated limits.

3. SWOT Analysis

Strengths:

- Board of Directors comprising experienced personnel having years of experience and business outlook.
- Strong management team with superior understanding of market segment and a strong network.
- Strong internal controls systems and processes.
- A deep-rooted understanding of client needs, founded on trust and sustained relationships.
- An asset book that is rigorously managed, demonstrating consistent growth in AUM and strategic risk management practices.
- Quick response time along with strong risk mitigation framework.

Weaknesses:

- As an NBFC, the Company faces comparatively higher borrowing costs than traditional banking institutions, which adversely affects its profit margins.
- As a non-deposit-taking NBFC, the Company is restricted from mobilizing retail public deposits. This limits access to long-tenure, low-cost funding and increases dependence on market instruments, bank borrowings, and institutional financing.
- The Company's loan book is heavily reliant on gold loan, rendering it susceptible to economic contractions and downturns.

Opportunities:

- Broadening access to credit in underpenetrated regions holds significant potential for driving business growth and fostering economic upliftment.

- Introducing innovative products will substantially enrich revenue streams and enhance market presence.

Threats:

- Any potential tightening of NBFC regulations by the Regulator could significantly impact operational dynamics and increase compliance-related expenditures.

- A rise in interest rates may result in increased borrowing costs, thereby adversely affecting lending profitability and the overall cost structure.

- Growing competition from traditional banking institutions, digital lenders, and fintech players could potentially undermine market share and pressure margins.

- Effectively managing credit risk and addressing the challenges of non-performing assets remain a key factor for sustainability and stability in a turbulent economic climate.

4. Key Risk and Controls

Credit Risk:

This is the risk associated of recovery of capital from counterparty. The Company has a robust credit risk framework in place which includes risk assessment process, prudent approval process, robust monitoring process and strong governance to mitigate the risk.

Market Risk:

Market risk refers to the potential for financial loss arising from adverse movements in market conditions. These fluctuations include variables like interest rates, credit spreads and other critical factors, each of which can influence both profitability and capital. The Company diligently tracks market trends, policy modifications, and regulatory shifts within the NBFC sector, empowering the Company to proactively refine its strategic response. By maintaining a forward-thinking stance, the Company consistently monitors market risks and strengthens its loan portfolio with a comprehensive risk management system.

Operational Risk:

Operational risk pertains to the chance of financial losses due to flaws or failures in internal operations, human resources, technological infrastructure, or organizational configurations. It can also arise from deficiencies in both regulatory and internal compliance frameworks, as well as from unpredictable external factors. The Company has a methodical approach to identifying, assessing, managing and mitigating risks across various departments. Moreover, comprehensive contingency protocols are in place to protect data security and ensure quick recovery from force majeure events.

Interest Rate Risk:
The potential for financial loss stemming from adverse shifts in interest rates, impacting lending operations. This risk is a fundamental determinant of Company's net interest income and overall financial profitability, significantly influencing its fiscal stability. The Company ensures strict compliance with regulatory mandates governing asset and liability management. The Company conducts an in-depth evaluation of rate-sensitive assets and liabilities, meticulously assessing the alignment between the maturity profiles of its loan book and fluctuations in interest rates.

Liquidity Risk:
This risk arises when the Company faces obstacles in meeting its financial commitments within the stipulated deadlines or as per the agreed schedules. The Company has instituted robust controls and mechanisms for ensuring effective management of liquidity. By vigilantly monitoring capital adequacy and asset exposures, the Company systematically assesses its potential funding requirements. The Company maintains a diversified and resilient funding base, drawing capital from an array of sources including banks, financial institutions and through issue of securities thereby ensuring ample financial flexibility.

Information Technology Risk:
This risk arises from systemic failures in IT infrastructure or breaches in data security, which can trigger operational disruptions and incur severe financial repercussions. In order to mitigate risks associated with information technology, the Company has implemented a robust IT risk management framework, incorporating rigorous checks, controls, and preventative safeguards.

Cyber security Risk:
With the mounting reliance on digital ecosystems and internet-based functionalities, the peril of cyber attacks and hacking has substantially increased. To strengthen its cyber security posture, the Company conducts frequent testing, proactively seeking and addressing potential vulnerabilities in its IT infrastructure and network. The implementation of stringent fraud prevention mechanisms reinforcing the Company's commitment to comprehensive cyber security resilience.

5. Roadmap for the Financial Year

The Company will use a cautious approach to lending as it gets ready for another year of a difficult economic climate. Compared to many of its rivals in the market, the Company is in a better position to take advantage of opportunities because of its healthy balance sheet and liquidity profile. Significant progress along the path of the Company's development. To establish a robust sourcing engine, the Company will keep opening new locations in the states where it already operates in order to expand its footprint. On the liability side, a major focus for this year will be on diversifying the mix of liabilities by bringing in new lenders and looking at alternative liability channels.

6. Cautionary Statement

This Management Discussion and Analysis Report may include some "forward-looking" statements that are based on a number of assumptions about the Company's current and future operations. environment and strategies in which it functions. Due to risk and uncertainty, real-world outcomes may vary significantly or materially from what is said or implied. These uncertainties include the national and global effects of economic and political circumstances, fluctuations in interest rates, and changes in regulations and policies affecting the Company's operations and additional relevant considerations. The data and information mentioned here have been collected by the Company from sources thought to be trustworthy or from its own internal assessments, the correctness and completeness of which cannot be assured.

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Annexure V

Remuneration details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the Fiscal 2026, Fiscal 2025 and Fiscal 2024

Name of Directors	Designation	Fiscal 2026	Fiscal 2025	Fiscal 2024
Mathew Mathaininan	Whole-Time Director	115.53	195.44	94.76
Richi Mathew	Managing Director	91.84	245.99	145.76
Ammini Mathew	Whole-Time Director	17.24	24.42	25.15
Asha Richi Mathew	Director (Non-executive)	11.01	12.45	13.15
Antony Robert John	Director (Independent and Non- executive)	0.63	0.45	0.85
Dillark Justin	Director (Independent and Non- executive)	0.09	0.36	0.85
Pathrose Ladislas	Additional Director	0.03	Nil	Nil

Notes on disclosures under Rule 5(1)

(i) Number of permanent employees on the rolls of the Company as on 31st March 2026: 1,330
(ii) Percentage increase in remuneration of managerial personnel is determined based on the performance of the Company.
(iii) The remuneration paid as above was as per the Remuneration Policy of the Company

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

Annexure VI

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SN	Loans and advances in the nature of loans	Amount outstanding as at 31.03.2026	Maximum amount outstanding during the year
1	To Subsidiaries	Nil	Nil
2	To Associates	Nil	Nil
3	To Firms/ Companies in which directors are interested (other than 1 and 2 above)	Nil	Nil
4	Investments by the loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan	Nil	Nil

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity:

Related party transactions during the year:

(₹ in Lakh)

Particulars	Mathew Mathaininan	Richi Mathew	Reena Verghese
Commission paid	--	--	--
Remuneration paid	24.00	60.00	--
Rent paid	16.35	16.35	--
Sitting fee paid	0.63	0.63	--

For and on behalf of the Board of Directors

Sd/-
Richi Mathew
Managing Director
DIN: 00224336

Sd/-
Mathew Mathaininan
Chairman & Whole Time Director
DIN: 00063078

Thiruvananthapuram
25.09.2026

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Muthoot Mercantile Limited
1st Floor, Northblock, Muthoot Floors,
Opposite W&Chospital, Thycaud,
Thiruvananthapuram, Kerala- 695014

We SEP & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Muthoot Mercantile Limited (CIN: U65921KL1997PLC011260)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us with reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2026, according to the provisions of :-

I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 (SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and by-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extend applicable;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

    a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

b. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

d. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993

e. Securities and Exchange Board of India (Depositories and Participants) Regulations 2018; and

f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable during the audit period).*

VI. As informed to us, the following Regulations and Guidelines prescribed under the Reserve Bank of India Act, 1934 applicable to Non-Banking Financial Companies (Non-Deposit Accepting or Holding) are specifically applicable to the Company:

a) Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023:

b) Reserve Bank of India (Non-Banking Financial Companies - Supervisory Returns) Directions, 2026

c) Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;

d) Non- Banking Financial Company Returns (Reserve Bank) Directions, 2016;

e) Guidelines for Asset-Liability Management (ALM) system in Non-Banking Financial Companies;

f) Reserve Bank of India (Fraud Risk Management in Non-Banking Financial Companies) Directions, 2024

g) Fair Practices Code;

h) Regulation of excessive interest charged by NBFCs;

i) Miscellaneous Instructions to all Non-Banking Financial Companies and Miscellaneous Instructions to NBFC-ND-SI;

j) Reserve Bank Commercial Paper Directions, 2024;

k) Guidelines for issue of Commercial Paper;

l) Revised Regulatory Framework for NBFC;

m) Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026

n) Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025

o) Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025

p) Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025

q) Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025

r) Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025

s) Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025

t) Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025

u) Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025

v) Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

VII. The Prevention of Money Laundering Act, 2002 and the Regulations and Bye-laws framed thereunder;

VIII. The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

IX. Employees' State Insurance Act, 1948 (ESI Act) and Rules made thereunder;

X. Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Rules made thereunder;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standard relating to Board (SS 1) and General Meetings (SS 2) issued by the Institute of Company Secretaries of India.

(ii) The Debt Listing agreement entered by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

SL. No	**Relevant Provision for Compliance Requirement**	**Auditor Observation**
Companies Act, 2013		
1.	Section 101(1)(ii) of Companies Act,2013	*The Company convened all the Extra-Ordinary General Meetings (ËGM") held during FY 2025–26 at shorter notice without obtaining the requisite consent of the members, resulting in non-compliance with Section 101 of the Companies Act, 2013. The EGMs were held on 12 April 2025, 31 July 2025, 11 August 2025 and 23 February 2026, pursuant to notices dated 9 April 2025, 30 July 2025, 2 August 2025 and 21 February 2026, respectively.*
2.	Registers under Section 170(1), 189 (1), 85 (1) of the Companies Act, 2013 read with rules made thereunder	*The Company has not maintained the following statutory registers:* *1. Register of Directors and Key Managerial Personnel* *2. Register of Contracts or Arrangements in Which Directors are Interested* *3. The Register of Charges*
5.	Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014:	*Mr. Pathrose Ladislas was appointed as Additional Director by the Board of Directors with effect from 02nd February 2026, whereas the application for allotment of DIN vide Form DIR-3 was filed only on 19th February 2026, and his consent to act as a Director in Form DIR-2 was furnished only on 26 February 2026.*

7.	Section 135 of the Companies Act, 2013 read with Rule 4(5) of the Companies (Corporate Social Responsibility Policy) Rules, 2014:	*Certificate confirming utilization of CSR funds was not issued by the Chief Financial Officer or the person responsible for financial management, resulting in non-compliance*
8.	Section 121 of the Companies Act, 2013 read with Rule 31 of the Companies (Management and Administration) Rules, 2014:	*The Company failed to file the report on the Annual General Meeting with the Registrar of Companies within thirty days of the conclusion of the meeting.*
9.	Section 170(2) of the Companies Act, 2013 read with Rule 18 of the Companies (Appointment and Qualifications of Directors) Rules, 2014:	*In Form DIR-12 filed for the appointment of Pathrose Ladislas as an Additional Director, the category of director was incorrectly reported as "Promoter" instead of "Independent", and the date of appointment was incorrectly stated as w.e.f 1 February 2026 instead of w.e.f 2 February 2026, resulting in incorrect reporting of the particulars of the director.*
10.	Section 139(8) of the Companies Act, 2013 read with Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014:	*The Board appointed Mohandas and Associates, Chartered Accountants, to fill the casual vacancy arising from the resignation of Varma and Varma, Chartered Accountants, with effect from 21 June 2025. However, the date of appointment was incorrectly reported as 11 August 2025 in Form ADT-1 filed with the Registrar of Companies, resulting in incorrect reporting of the auditor's appointment particulars.*
Secretarial Standard on Meeting of Board of Directors		
1.	Clause 4.2.1	*Asha Richi Mathew, Director, had not signed the attendance register for certain Board Meetings attended by her physically.*
2.	Clause 7.2.2.1(f)	*The minutes incorrectly record that all directors were present throughout the meetings, despite the absence of Pathrose Ladislas, Additional Director, at the Board Meetings held on 12 February, 25 February and 16 March 2026.*
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015		
2.	Regulation 51(3)and 62	*Company has not disclosed all such events or information which have been disclosed to the stock exchange(s).* *Further following particulars were not duly updated on the website of the Company:* *1. Composition of the Board of Directors;* *2. Email ID of the designated officials of the listed entity who is responsible for assisting and handling investor grievances;* *3. Information and reports including compliance reports filed by the listed entity;* *4. Statements of deviation(s) or variation(s);* *5. Annual return for the FY 2022-2023*
5.	Regulation 52 (1):	*Unaudited financial results for the quarter/half year ending 30.06.2025 and 30.09.2025 was submitted to the stock exchange with a delay on 22-08-2025 and 19-11-2025; respectively*
6.	Regulation 60(2):	*The Company scheduled the record date for the January monthly non-convertible debenture (NCD) interest payment on 16/01/2026. However, the stock exchange intimation was submitted on 13/01/2026, resulting in only a two-day notice period.*
7.	PART B: Schedule III and Reg 51	*The resignation of Company Secretary was received by the company on 12.02.206 at 4.00 PM, but the same was*

		intimated to stock exchange om 13.02.2026 at 04:15 PM *Hence, the disclosure was not intimated within the 24 hour mark as specified in the regulation.*
SEBI (Prohibition of Insider Trading) Regulations, 2015		
1.	Maintenance of Structured Digital Database	No such database is maintained.
2.	Formation and display of policies and procedures under the PIT Regulation	*Following policies were not hosted on the website of the Company:* *1. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI);* *2. Policy for Determination of 'Legitimate Purposes,' or any written Policies and Procedures for Inquiry in Case of Leak or Suspected Leak of UPSI.*
Reserve Bank of India (Non-Banking Financial Companies - Supervisory Returns) Directions, 2026		
1.	*The filings made via CIMS Portal were not on the due date*	
Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025		
1.	Website Disclosures	*Following were not disclosed on the website of the Company:* *1. Consumer education literature;* *2. SMA and NPA classification and upgradation* *3. Fair Practices Code written in English and regional languages* *4. Gold Auction policies* *5. The rate of interest, the internalized rationale for charging different rates to different categories of borrowers, and the risk-gradation approach*
The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013		
1.	Section 21(1)	*The Annual Report on POSH was not filed by the Company*

Fine has been levied by BSE Limited ("BSE") for delayed compliance with respect to intimation of record date as prescribed under SEBI(LODR) Regulations as follows:

SL. No	Particulars	Fine Amount
1.	Levied for non-compliance with Reg 60 (2) for the period ended January 2026	Rs 2,59,600.00
2.	Levied for non-compliance with Reg 52 (1) for the period under September 2025	Rs 17,700.00
3.	Levied for non-compliance with Reg 52 (1) for the period under June 2025	Rs 29,500.00
4.	Regulation 60(2) Delay in submission of the notice of Record Date. September 2024	Rs. 47,200.00

In respect of other laws specifically applicable to the Company, we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and in compliance with orders issued by the Central Government, except to the extent qualified above.

During the period under review, Mr. Pathrose Ladislas (DIN: 11567957) was appointed as an Additional Director of the Company with effect from February 2, 2026.

Adequate notice is given to all directors to schedule the Board Meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance. Where the same were given at Shorter Notice less than 7 (seven) days, proper consent thereof were obtained. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with its size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, allotment of following securities has taken place:

SI. No	Method of issue	Date of Allotment	Particulars
1.	Public issue	21-04-2025	5,85,525 Secured Redeemable Non Convertible Debentures having face value of Rs.1,000/- each amounting to a total of Rs. 58,55,25,000/-
2.	Public issue	31-07-2025	8,85,917 Secured Redeemable Non Convertible Debentures having face value of Rs.1,000/- each amounting to a total of Rs. 88,59,17,000/-
3.	Public issue	19-12-2025	1403160 Secured Redeemable Non Convertible Debentures having face value of Rs.1,000/- each amounting to a total of Rs. 1403160000/-
4.	Bonus issue	25-02-2026	Allotment of 10,92,56,241 Equity Shares having face value of Rs. 10/- each, ranking pari passu with the existing shares, amounting to a total of Rs. 1,09,25,62,410/-

We further report that during the period under review, the following resolutions for special businesses were passed by the members of the Company:

Date of Resolution	Legal Provision	Resolution	Type of Resolution
12/04/2025	Section 13	Alteration of Object Clause of Memorandum of Association	Special Resolution
31/07/2025	Section 13, 61 and 64	Alteration of Authorised Share Capital of the Company	Ordinary Resolution
31/07/2025	Section 139, 142	Appointment of M/s. Mohandas & Associates, Chartered Accountants, as Statutory Auditors of the Company	Ordinary Resolution
31/07/2025	Section 188	Approval to enter into related party transaction with Mr. Mathew Mahanan and Ms. Ammini Mathew	Special Resolution

31/07/2025	Section 188	Approval to enter into related party transaction with Mr. Mathew Mahanan and Mr. Richi Mathew	Special Resolution
29/09/2025	Section 180 (1) (a)	To authorize the Board of Directors to mortgage, create charge on all or any of the assets of the Company	Special Resolution
29/09/2025	Section 179, 180	To consider issuance of Sub-ordinated Debts in the nature of promissory note of the financial year 2025-26	Special Resolution
23/02/2026	Section 13, 61 and 64	Alteration of Authorised Share Capital of the Company	Ordinary Resolution
23/02/2026	Section 63	Approval of issuance of Bonus Shares	Special Resolution

We further report that during the period under review Non-Convertible Debentures amounting to Rs. 56,79,76,967 *(Rupees Fifty-Six Crore Seventy-Nine Lakh Seventy-Six Thousand Nine Hundred Sixty-Seven Rupees Only)* were redeemed.

We further report that during the audit period there were no instances of:

(i) Issuance of securities including Public/ Right/ Preferential issue of securities other than those mentioned above;

(ii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013 other than those mentioned above;

(iii) Redemption/Buy-back of securities other than mentioned above;

(iv) Merger/amalgamation/ reconstruction;

(v) Foreign technical collaborations.

This report is to be read with **Annexure A** of even date and the same forms an integral part of this report.

For SEP & Associates **UDIN**: **F003050H001774314**

Company Secretaries
(Peer Review Certificate no. 6780/2025)

PUZHANKARA SIVAKUMAR
Digitally signed by PUZHANKARA SIVAKUMAR
Date: 2026.09.25 11:49:42 +05'30'

CS Puzhankara Sivakumar
Managing Partner
FCS: 3050 COP: 2210

Place: Kochi
Date: 25.09.2026

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members,
Muthoot Mercantile Limited
1st Floor, Northblock, Muthoot floors,
Opposite W&Chospital, Thycaud,
Thiruvananthapuram, Kerala- 695014

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.

2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.

3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.

4. We have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc., wherever required.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances, wherever practical, on test basis.

6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2026 but before issue of the Report.

7. We have considered actions carried out by the Company based on independent legal/ professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SEP & Associates **UDIN**: **F003050H001774314**

Company Secretaries
(Peer Review Certificate no. 6780/2025)

PUZHANKARA SIVAKUMAR
Digitally signed by PUZHANKARA SIVAKUMAR
Date: 2026.09.25 11:50:08 +05'30'

CS Puzhankara Sivakumar
Managing Partner
FCS: 3050 COP: 2210

Place: Kochi
Date: 25.09.2026

MUTHOOT MERCANTILE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

MUTHOOT MERCANTILE LIMITED

Cash Flow Statement for the Year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**7,285.44**	**3,802.72**
Adjustments to reconcile Profit before tax to cash provided by operating activities:		
Depreciation of PPE and amortization of intangible asset	303.31	223.52
Amortization of Right to use asset	831.85	738.67
Impairment on financial instruments	108.80	447.98
Interest on security deposit	(23.37)	(18.68)
Net gain on cancellation of lease	(12.26)	(51.26)
Provision for gratuity	45.94	42.57
Provision for Compensated absence	41.47	53.50
Foreign Exchange adjustment	39.01	-
Finance cost	10,752.77	7,297.38
Operating profit before working capital changes	**19,372.96**	**12,536.40**
Changes in working capital :		
Decrease / (Increase) in loans	(40,922.72)	(19,396.21)
Decrease / (Increase) in other bank balances	(123.78)	(445.61)
Decrease / (Increase) in other financial asset	(24.49)	(110.84)
Decrease / (Increase) in non-financial asset	(218.68)	(73.51)
Increase / (Decrease) in trade payables	(97.46)	5.00
Increase / (Decrease) in provision	-	(15.49)
Increase / (Decrease) in other financial liabilities	(263.34)	177.04
Increase / (Decrease) in other non-financial liabilities	(75.77)	58.30
Cash generated from /(used in) operations	**(22,353.28)**	**(7,264.92)**
Finance Cost paid	(10,245.96)	(6,858.79)
Income Taxes Paid	(1,163.15)	(969.04)
Net cash flow from/ (used in) operating activities (A)	**(33,762.39)**	**(15,092.75)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and other intangible assets	(257.00)	(479.18)
Net cash flow from/ (used in) investing activities (B)	**(257.00)**	**(479.18)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase /(Decrease) in debt securities	20,340.08	16,577.08
Increase /(Decrease) in borrowings (other than debt securities)	14,193.75	1,747.72
Increase /(Decrease) in subordinate Liabilities	422.02	(2,331.85)
Payment of lease liabilities	(1,165.19)	(565.88)
Proceeds from issue of equity share capital	-	-
Net cash flow from/ (used in) in financing activities (C)	**33,790.67**	**15,427.07**
D. Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(228.73)**	**(144.86)**
Cash and cash equivalents at the beginning of the year	925.47	1,070.33
Cash and cash equivalents at the end of the year (Refer Note 5)	**696.74**	**925.47**

Accompanying Notes are an integral part of the Financial Statements

For and on behalf of the board of directors of
Muthoot Mercantile Limited

M Mathew
[Wholetime Director]
DIN 00063078

Richi Mathew
[Managing Director]
DIN 00224336

MUTHOOT MERCANTILE LIMITED THIYCAUD 695 014

Bagavath Krishnan venugopal
[Chief Financial Officer]

Vatanapally Haridas Rupesh
[Company Secretary]

Place: Thiruvananthapuram
Date: 29-05-2026

As per our report of even date attached

For Mohandas & Associates
Chartered Accountants
ICAI Firm Registration Number: 002

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

Mohandas Anchery
[Partner]
Membership No.: 036726
Place: Thrissur
Date: 29-05-2026

MUTHOOT MERCANTILE LIMITED

Balance Sheet as at 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

	ASSETS	Notes	As at 31st March 2026	As at 31st March 2025
(I)	**Financial Assets**			
(a)	Cash and Cash Equivalents	5	696.74	925.47
(b)	Bank Balances other than (a) above	6	2,487.64	2,731.23
(c)	Derivative financial instruments	7	397.48	17.81
(d)	Loans	8	1,29,863.95	89,050.04
(e)	Other Financial Assets	9	614.28	589.79
			1,34,060.10	**93,314.34**
(II)	**Non-Financial Assets**			
(a)	Deferred Tax Assets (Net)	33	173.44	246.47
(b)	Property, Plant and Equipment	10	922.18	967.84
(c)	Other Intangible Assets	11	1.22	1.87
(d)	Right-of-Use Asset	12	4,260.18	4,245.11
(e)	Other Non-Financial Assets	13	523.05	304.37
			5,880.07	**5,765.66**
	TOTAL ASSETS		**1,39,940.17**	**99,080.00**
	LIABILITIES AND EQUITY			
	Liabilities			
(I)	**Financial Liabilities**			
(a)	Derivative Financial Instruments	7	-	54.45
(b)	Payables			
	Trade Payables	14		
	(A) total outstanding dues of micro and small enterprises		28.56	48.71
	(B) total outstanding dues of creditors other than micro and small enterprises.		47.27	124.57
(c)	Debt Securities	15	52,317.17	31,977.09
(d)	Borrowings (Other than Debt Securities)	16	35,305.27	21,062.61
(e)	Subordinated Liabilities	17	21,051.51	20,629.49
(f)	Lease Liabilities	12	4,960.25	4,818.22
(g)	Other Financial Liabilities	18	350.36	613.70
			1,14,060.39	**79,328.84**
(II)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (Net)		894.79	180.25
(b)	Provisions	19	292.94	191.74
(c)	Other Non-Financial Liabilities	20	74.27	150.04
			1,262.00	**522.03**
(III)	**Equity**			
(a)	Equity Share Capital	21	14,567.50	3,641.87
(b)	Other Equity	22	10,050.28	15,587.26
			24,617.78	**19,229.13**
	TOTAL LIABILITIES AND EQUITY		**1,39,940.17**	**99,080.00**

Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

M Mathew
[Wholetime Director]
DIN 00063078

Riehi Mathew
[Managing Director]
DIN 00224336

Bagavath Krishnan venugopal
[Chief Financial Officer]

Vatanapally Haridas Rupesh
[Company Secretary]

Place: Thiruvananthapuram
Date: 29-05-2026

As per our report of even date attached

For Mohandas & Associates
Chartered Accountants
ICAI Firm Registration Number: 002615S

Mohandas Anchery
[Partner]
Membership No.: 036726
Place: Thrissur
Date: 29-05-2026

MUTHOOT MERCANTILE LIMITED

Statement of Profit and Loss for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

	Particulars	Notes	Year ended 31st March 2026	Year ended 31st March 2025
	Revenue from Operations			
	Interest Income	23	24,412.19	16,307.19
	Fees and Commission Income	24	273.94	99.84
I	**Total Revenue from Operations**		24,686.13	16,407.03
II	Other Income	25	192.92	235.59
III	**Total Income (I+II)**		24,879.06	16,642.62
	Expenses			
	Finance Costs	26	10,752.77	7,297.38
	Impairment on Financial Instruments	27	108.80	447.98
	Employee Benefits Expenses	28	3,887.23	3,145.28
	Depreciation and Amortisation Expense	29	1,135.16	962.19
	Other expenses	30	1,709.66	987.07
IV	**Total Expenses**		17,593.62	12,839.90
V	**Profit before Tax (III-IV)**		7,285.44	3,802.72
	Tax Expense:			
	(a) Current Tax	33	1,854.22	963.95
	(b) Deferred Tax (Income)/Expense		73.03	15.79
	(c) Tax related to prior years		23.48	14.05
VI	**Total tax expense**		1,950.73	993.79
VII	**Profit for the year (V-VI)**		5,334.71	2,808.93
	Other Comprehensive Income/(Expense)			
	(i) Items that will not be reclassified to Profit or Loss			
	(a) Remeasurement Gains/ (Losses) on Defined Benefit Plan		(16.56)	6.76
	(b) Change in value of forward element of forward contract		-	(6.84)
	Tax related to above		2.77	0.02
	(ii)Items that will be reclassified to Profit and Loss			
	(a)Effective portion of gain/(loss) on hedging instruments in cash flow hedges		81.33	(61.37)
	Tax related to above		(13.61)	15.45
VIII	**Total Other Comprehensive Income/(Expense)**		53.94	(45.98)
IX	**Total Comprehensive Income/(Expense) for the year (VII+VIII)**		5,388.65	2,762.95
	Earnings per Equity share			
	[nominal value of share-Rs.10/-]			
	Basic (Rs.)	31	3.66	1.93
	Diluted (Rs.)		3.66	1.93

Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

As per our report of even date attached

M Mathew
[Wholetime Director]
DIN 00063078

Richi Mathew
[Managing Director]
DIN 00224336

For Mohandas & Associates
Chartered Accountants
ICAI Firm Registration Number: 002176S

Bagavath Krishnan venugopal
[Chief Financial Officer]

Vatanapally Haridas Rupesh
[Company Secretary]

Mohandas Anchery
[Partner]
Membership No.: 036726

Place: Thiruvananthapuram
Date: 29-05-2026

Place: Thrissur
Date: 29-05-2026

MUTHOOT MERCANTILE LIMITED

Statement of Changes in Equity for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

I. Equity share capital

Particulars	As at 1st April 2024	Change in equity share capital during the year	As at 31st March 2025	Change in equity share capital during the year	As at 31st March 2026
Equity shares of Rs. 10 each, issued, subscribed and fully paid up	3,641.87	-	3,641.87	10,925.62	14,567.50

II. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)	Capital Redemption Reserve	Impairment Reserve	General Reserve	Retained Earnings	Items of other comprehensive income - Remeasurement of Defined benefit plans, Effective Portion of Cash flow Hedges, Cost of Hedging Reserve	
Balance as at 1st April 2024	**3,383.78**	**2,280.63**	**311.92**	**-**	**6,827.34**	**20.64**	**12,824.31**
Profit for the year	-	-	-	-	2,808.93	-	2,808.93
Other Comprehensive Income (net of tax)	-	-	-	-	-	(45.98)	(45.98)
Transfer to/from retained earnings	561.79	-	-	-	(561.79)	-	-
Balance as at 31st March 2025	**3,945.57**	**2,280.63**	**311.92**	**-**	**9,074.48**	**(25.34)**	**15,587.26**

NOMADAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Statement of Changes in Equity for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)	Capital Redemption Reserve	Impairment Reserve	General Reserve	Retained Earnings	Items of other comprehensive income - Remeasurement of Defined benefit plans, Effective Portion of Cash flow Hedges,Cost of Hedging Reserve	
Balance as at 1st April 2025	3,945.57	2,280.63	311.92	-	9,074.48	(25.34)	15,587.26
Profit for the year	-	-	-	-	5,334.71	-	5,334.71
Other Comprehensive Income (net of tax)	-	-	-	-	-	53.94	53.94
Transfer to/from retained earnings	1,070.00	-	-	-	(11,995.63)	-	(10,925.62)
Balance as at 31st March 2026	5,015.57	2,280.63	311.92	-	2,413.56	28.60	10,050.28

Accompanying Notes are an integral part of the Financial Statements.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

M Mathew
[Wholetime Director]
DIN 00063078

Richi Mathew
[Managing Director]
DIN 00224336

Bagavath Krishnan venugopal
[Chief Financial Officer]

Vatanapally Haridas Rupesh
[Company Secretary]

Place: Thiruvananthapuram
Date: 29-05-2026

As per our report of even date attached

For Mohandas & Associates
Chartered Accountants
ICAI Firm Registration Number: 000316S

Mohandas Anchery
[Partner]
Membership No.: 036726
Place: Thrissur
Date: 29-05-2026

MUTHOOT MERCANTILE LIMITED

Notes to the Financial Statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

1 Corporate Information

Muthoot Mercantile Limited(CIN:U65921KL1997PLC011260) was incorporated on 3rd March 1997,having registered office at 1st Floor, North Block, "Muthoot Floors",opposite W & C Hospital, Thycaud, Thiruvananthapuram, 695014, Kerala.

The Company obtained permission from the RBI under section 45-IA of the Reserve Bank of India Act, 1934, for carrying on the business of Non-Banking Financial Institutions on 12th December 2002 vide Certificate of Registration (CoR) No. N-16.00178 and is classified as a Midddle Layer Non-Deposit Taking Non Banking Financial Company(NBFC-ML).

The main object of the company is to originate, provide and service personal loans and loans against gold jewellery.

2 Basis of Preparation and Presentation of Financial Statements

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules , 2015 (as amended from time to time). The financial statements have been prepared on a historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values as at the end of each reporting period as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on this basis.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices;
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2; and
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

2.2 Presentation of Financial Statements

The Financial Statements are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and directions issued by Reserve Bank of India.

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

(i) The normal course of business
(ii) The event of default
(iii) The event of insolvency or bankruptcy of the Company and/or its counterparties.

Functional And Presentation Currency

The financial statements are presented in Indian Rupees (INR) except when otherwise indicated.

All amounts included in the financial statements are reported in Lakhs of Indian rupees (Rupees in Lakhs) except share and per share data, unless otherwise stated.

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3 Use of Judgements,Estimates and Assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: impairment of financial instruments, provisions and contingent liabilities.

In particular, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

A. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test.The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

B. Defined Employee Benefit Liabilities

The present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

C. Fair Value Measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

D. Impairment of Loans Portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.The impairment loss on loans is disclosed in more detail in Note 41 Risk Management.In case, higher provisions are to be considered as per the prudential norms of the Reserve Bank of India, they are considered and routed through Impairment Reserves.

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E. Contingent Liabilities and Provisions Other than Impairment on Loan Portfolio

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration in the ordinary course of the Company's business.When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.Significant judgement is required to conclude on these estimates.

F. Effective Interest Rate (EIR) Method

The Company's EIR methodology, recognises interest income /expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penaltyinterest and charges).
This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

G.Other Estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

4 Material Accounting Policies

4.1 Property Plant and Equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner indended by the managment.

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Advances paid towards acquisition of property, plant and equipment, outstanding at each Balance Sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under Capital work-in-progress.

The estimated useful lives as follows:

Particulars	Useful life estimated by company (Years)
Strong Room	20 (acquired up to 31-03-15)
	10 (Others)
Furniture And Fixtures	20 (acquired up to 31-03-15)
	10 (Others)
Vehicles	8
Office Equipments	3 (End user devices)
	6 (Servers and networks)
Office & Electrical Equipments	20 (acquired up to 31-03-15)
	10 (Others)

Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate and treated as changes in accounting estimates.The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

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4.2 Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected usefiul life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the Statement of Profit and Loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

4.3 Impairment of Non-Financial Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than it's carrying amount, the carrying amount is reduced to its re-overable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation/amortisation if there were no impairment.

4.4 Revenue Recognition

(i) Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Company recognises interest income using effective interest rate (EIR) method as per Ind AS 109 'Financial Instruments' on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI). The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired assets.

(ii) Revenue from operations other than interest income:

Revenue (other than those items to which Ind AS 109 Financial Instruments is applicable) is measured based on the consideration specified in the contracts with the customers. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties.The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

(a) Fees and Commission Income:

The company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the company will collect the consideration.

(b) Rental Income:

Income from operating leases (leasing and subleasing) are recognised in the Statement of Profit and Loss as per the contractual rentals unless another systematic basis is more representative of the time pattern in which benefits are derived from the leased assets. Revenue from leases are recognised in accordance with IndAS 116 where the company is a lessor.

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(c) Dividend Income:
Dividend Income is recognised once the unconditional right to receive the dividend is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(d) Net Gain or Loss on Fair Value Change:
Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the Balance Sheet date is recognised as an unrealised gain/ loss in the Statement of Profit and Loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses", in the Statement of Profit and Loss.

(e) Other Income:
Other Income are recognised on the completion of service and it is highly probable that a significant reversal of revenue is not expected to occur. The Company recognises recoveries against written off financial assets on realisation

4.5 Finance Cost
Finance costs also represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers, loan processing fees and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability. Finance costs are charged to the Statement of Profit and Loss.

4.6 Financial Instruments
A. Financial Assets
Initial recognition and measurement
All financial assets are recognised initially at fair value when the parties become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

Subsequent measurement
The Company classifies its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

a.Financial assets measured at amortised cost
A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets measured at fair value through other comprehensive income (FVOCI)
A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. Financial assets measured at fair value through profit or loss (FVTPL)
A financial asset which is not classified in any of the above categories are measured at FVTPL.

B. Financial Liabilities
Initial recognition and measurement
All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, non-convertible debentures loans and borrowings including bank overdrafts.

Subsequent Measurement
Financial liabilities are subsequently carried at amortized cost using the effective interest method.

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C. Derecognition of financial assets and liabilities

Financial Asset

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in Statement of Profit and Loss.

D. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

Overview of the Expected Credit Loss (ECL) model

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial assets

Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR)since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly,the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.

Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

For impaired financial assets:

Financial assets are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial assets.

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Estimation of Expected Credit Loss

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD) – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro economic trends reasonably.
To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, vehicles, etc.However, the fair value of collateral affects the calculation of ECL. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

4.7 Leases

As a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii)the Company has the right to direct the use of the asset.At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term.ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or,if not readily determinable, using the incremental borrowing rates . Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

4.8 Taxation

Income tax expense represents the sum of the tax currently payable, deferred tax and any excess/ short provision of earlier years.

Current Tax

Current tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in Equity respectively.

4.9 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

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4.10 Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities, and

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

4.11 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

4.12 Derivative financial instruments

The Company enters into derivative financial instruments such as foreign exchange forward contracts and cross currency swaps to manage its exposure to foreign exchange rate risk.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedge relationship. The Company has designated the derivative financial instruments as cash flow hedges of recognised liabilities and unrecognised firm commitments.

Hedge accounting

In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship and the risk management objective and strategy for undertaking the hedge. Such hedges are expected to be highly effective if the hedging instrument is offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk. The assessment of hedge effectiveness is carried out at inception and on an ongoing basis to determine that the hedging relationship has been effective throughout the financial reporting periods for which they were designated.

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Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the Statement of Profit and Loss. When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold,terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

4.13 Employee Benefits

(i) Retirement benefit costs and termination benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.The Provident Fund Scheme and Employee State Insurance Scheme are defined contribution plans.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

(ii) Other long-term employee benefits

The Company provides for liability of accumulated compensated absences for eligible employees on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss for the period in which they occur.

4.14 Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities.

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated.

Cash and cash equivalents (including bank balances) shown in the Cash Flow Statement exclude items which are not available for general use as on the date of the Balance Sheet.

4.15 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

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MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

5 Cash and Cash Equivalents

Particulars	As at 31st March 2026	As at 31st March 2025
Cash on hand	379.17	551.45
Balance with banks:		
in Current Accounts	317.57	374.02
	696.74	**925.47**

6 Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31st March 2026	As at 31st March 2025
Deposits with bank under lien (Refer note 6.1) :		
-in Deposit Accounts having original maturity less than three Months	-	35.94
-in Deposit Accounts having original maturity more than three months	2,485.37	2,694.82
Earmarked balances with banks:		
Debenture trustee account	2.27	0.47
	2,487.64	**2,731.23**

6.1 Deposits with bank under lien represents deposits given as security for borrowings

7 Derivative financial instruments

Particulars	As at 31st March 2026			As at 31st March 2025		
	Notional Amounts(INR)	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts(INR)	Fair Value - Assets	Fair Value - Liabilities
i) Currency derivatives:						
- Forward contracts	5,145.28	42.60	-	4,945.48	-	54.45
ii) Interest Rate derivatives						
- Interest rate swaps	4,125.00	354.88	-	3,499.42	17.81	-
Included in above are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging	-	-	-	-	-	-
(ii) Cash flow hedging:						
- Currency derivatives	5,145.28	42.60	-	4,945.48		54.45
- Interest rate derivatives	4,125.00	354.88	-	3,499.42	17.81	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total (i)+ (ii)+(iii)+(iv)	**9,270.28**	**397.48**	-	**8,444.90**	**17.81**	**54.45**

The Company undertakes derivative transactions for hedging its exposures to interest rate risk and foreign exchange rate risk.

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

8 Loans

Particulars	As at 31st March 2026					
		At Fair Value				
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
Loans						
(A)						
Gold Loan	1,30,504.76	-	-	-	-	1,30,504.76
Personal Loan	91.43					91.43
Total (A) - Gross	**1,30,596.18**	-	-	-	-	**1,30,596.18**
Less: Impairment loss allowance	732.23	-	-	-	-	732.23
Total (A) - Net	**1,29,863.95**	-	-	-	-	**1,29,863.95**
(B)						
(i) Secured by tangible assets	1,30,504.76	-	-	-	-	1,30,504.76
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	91.43	-	-	-	-	91.43
Total (B) Gross	**1,30,596.18**	-	-	-	-	**1,30,596.18**
Less: Impairment loss allowance	732.23	-	-	-	-	732.23
Total (B) Net	**1,29,863.95**	-	-	-	-	**1,29,863.95**
(C)						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	1,30,596.18	-	-	-	-	1,30,596.18
Total (C) (I) Gross	**1,30,596.18**	-	-	-	-	**1,30,596.18**
Less: Impairment loss allowance	732.23	-	-	-	-	732.23
Total (C) (I) Net	**1,29,863.95**	-	-	-	-	**1,29,863.95**
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C)(II)	**1,29,863.95**	-	-	-	-	**1,29,863.95**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Particulars	As at 31st March 2025					
		At Fair Value				
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
Loans						
(A)						
Gold Loan	89,253.43	-	-	-	-	89,253.43
Personal Loan	420.04					420.04
Total (A) - Gross	**89,673.47**	-	-	-	-	**89,673.47**
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (A) - Net	**89,050.04**	-	-	-	-	**89,050.04**
(B)						
(i) Secured by tangible assets	89,253.43	-	-	-	-	89,253.43
(ii) Secured by intangible assets	-	-	-	-	-	-
(iii) Covered by Bank / Government Guarantees	-	-	-	-	-	-
(iv) Unsecured	420.04	-	-	-	-	420.04
Total (B) Gross	**89,673.47**	-	-	-	-	**89,673.47**
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (B) Net	**89,050.04**	-	-	-	-	**89,050.04**
(C)						
(I) Loans in India						
(i) Public Sector	-	-	-	-	-	-
(ii) Others	89,673.47	-	-	-	-	89,673.47
Total (C) (I) Gross	**89,673.47**	-	-	-	-	**89,673.47**
Less: Impairment loss allowance	623.43	-	-	-	-	623.43
Total (C) (I) Net	**89,050.04**	-	-	-	-	**89,050.04**
(II) Loans outside India	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Total (C) (II) Net	-	-	-	-	-	-
Total (C) (I) and (C) (II)	**89,050.04**	-	-	-	-	**89,050.04**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

8.1 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to receivables under financing activities is, as follows:

	As at 31st March 2026			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Opening Gross carrying amount	**73,130.61**	**15,179.37**	**1,363.49**	**89,673.47**
New Asset originated (net of repayment)	1,23,554.52	6,618.38	157.46	**1,30,330.36**
Assets repaid	(72,981.57)	(15,156.83)	(1,269.25)	**(89,407.65)**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(3.19)	3.19	-	-
Transfer to Stage 3	(79.76)	(22.41)	102.17	-
Closing Gross carrying amount	**1,23,620.61**	**6,621.69**	**353.88**	**1,30,596.18**

	As at 31st March 2025			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Opening Gross carrying amount	**68,789.77**	**1,122.21**	**365.28**	**70,277.26**
New Asset originated (net of repayment)	73,122.04	15,178.02	919.62	**89,219.68**
Assets repaid	(68,513.64)	(1,120.97)	(188.86)	**(69,823.47)**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(1.35)	1.35		-
Transfer to Stage 3	(266.21)	(1.24)	267.45	-
Closing Gross carrying amount	**73,130.61**	**15,179.37**	**1,363.49**	**89,673.47**

8.2 Reconciliation of ECL Balance

	As at 31st March 2026			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount	**348.27**	**69.05**	**206.11**	**623.43**
New Asset originated (net of repayment)	567.83	30.50	92.99	691.32
Assets repaid	(347.16)	(68.90)	(162.79)	(578.86)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.02)	0.02	-	-
Transfer to Stage 3	(6.55)	(2.27)	8.82	-
Impact of changes in credit risk on account of stage movements	5.81	2.12	(11.60)	(3.66)
Closing carrying amount	**568.19**	**30.52**	**133.53**	**732.23**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

Particulars	As at 31st March 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	**68.68**	**9.14**	**97.63**	**175.45**
New Asset originated (net of repayment)	348.23	69.04	108.53	**525.80**
Assets repaid	(68.44)	(9.13)	(22.29)	**(99.86)**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(0.12)	0.12	-	-
Transfer to Stage 3	(0.02)	-	0.02	-
Impact of changes in credit risk on account of stage movements	(0.06)	(0.12)	22.22	**22.04**
Closing carrying amount	**348.27**	**69.05**	**206.11**	**623.43**

9 Other Financial Assets

Particulars	As at 31st March 2026	As at 31st March 2025
Security deposits	538.00	476.49
Others	76.27	113.30
	614.28	**589.79**

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MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

10 Property, Plant and Equipment

Particulars	Land	Strong Room	Furniture and Fixtures	Vehicles	Computer and Accessories	Office and Electrical Equipments	Total
Gross Block at Cost							
At 1st April 2024	4.32	337.47	769.83	186.76	238.97	466.91	2,004.26
Additions	-	79.39	292.06	-	68.61	108.59	548.65
Deletions	-	-	-	-	-	-	-
As at 31st March 2025	4.32	416.86	1,061.89	186.76	307.58	575.50	2,552.91
At 1st April 2025	4.32	416.86	1,061.89	186.76	307.58	575.50	2,552.91
Additions	-	25.26	105.46	-	48.19	78.10	257.01
Deletions	-	-	-	-	-	-	-
As at 31st March 2026	4.32	442.12	1,167.35	186.76	355.77	653.60	2,809.92
Accumulated Depreciation							
At 1st April 2024	-	221.15	458.65	166.08	209.47	306.90	1,362.25
Charge for the year	-	34.45	104.62	6.33	27.99	49.43	222.82
Deletions	-	-	-	-	-	-	-
As at 31st March 2025	-	255.60	563.27	172.41	237.46	356.33	1,585.07
At 1st April 2025	-	255.60	563.27	172.41	237.46	356.33	1,585.07
Additions	-	43.33	138.02	4.35	53.32	63.64	302.66
Deletions	-	-	-	-	-	-	-
As at 31st March 2026	-	298.93	701.29	176.76	290.78	419.97	1,887.73
Net Block							
As at 31st March 2025	4.32	161.26	498.62	14.35	70.12	219.17	967.84
As at 31st March 2026	4.32	143.19	466.06	10.00	64.98	233.63	922.18

10.1 No Property, Plant and Equipment have been revalued during the current and previous years

10.2 The title deeds of immovable property disclosed in the financial statements are held in the name of the Company

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

11 Other Intangible Assets

Particulars	Computer Software
Gross Block at Cost	
At 1st April 2024	86.86
Additions	1.01
Disposals	-
As at 31st March 2025	87.87
At 1st April 2025	87.87
Additions	-
Disposals	-
As at 31st March 2026	87.87
Accumulated Amortization	
At 1st April 2024	85.30
Charge for the year	0.70
Disposals	-
As at 31st March 2025	86.00
At 1st April 2025	86.00
Charge for the year	0.65
Disposals	-
As at 31st March 2026	86.65
Net Block	
As at 31st March 2025	**1.87**
As at 31st March 2026	**1.22**

11.1 The Company has not revalued its Intangible assets during the year

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

12 Right-of-use assets and Lease Liabilities

12.1 Movement of right of use assets

Particulars	As at 31st March 2026	As at 31st March 2025
As at the beginning of the year	4,245.11	4,176.39
Additions	909.19	1,120.31
Disposals	62.28	312.92
Depreciation charge for the year	831.85	738.67
As at the end of the year	**4,260.18**	**4,245.11**

12.2 Movement of lease liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
As at the beginning of the year	4,818.22	4,627.97
Additions	880.58	1,086.20
Interest on lease liabilities	495.94	478.21
Deletions	65.52	356.03
Payment of lease liabilities	1,168.96	1,018.13
As at the end of the year	**4,960.25**	**4,818.22**

12.3 Maturity analysis of lease liabilities

The following are the undiscounted cashflows of lease liabilities:

Particulars	As at 31st March 2026	As at 31st March 2025
Less than one year	1,259.45	1,101.31
One to five years	4,309.00	4,238.60
More than five years	1,082.53	1,126.23
Total	**6,650.98**	**6,466.14**

12.4 Amounts recognized in the Statement of Profit and Loss

Particulars	As at 31st March 2026	As at 31st March 2025
Interest on finance lease liabilities	495.94	478.21
Depreciation of right-of-use assets	831.85	738.67
Gain on cancellation of lease	12.26	51.26
Expenses relating to short term leases	299.26	117.47

12.5 Amounts recognized in the Cash Flow Statement

Particulars	As at 31st March 2026	As at 31st March 2025
Total cash outflow for leases	1,165.19	565.88

13 Other Non-Financial Asset

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Advances	7.87	13.02
Prepaid Expenses	133.22	83.42
Employee Advances	28.07	3.12
Balance with Government Authorities	336.34	186.32
Other Advances	17.56	18.49
	523.05	**304.37**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR 1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

14 Trade Payables

Particulars	As at 31st March 2026	As at 31st March 2025
Total outstanding dues of micro and small enterprises	28.56	48.71
Total outstanding dues of creditors other than micro and small enterprises.	47.27	124.57
	75.82	**173.28**

14.1 Trade Payables aging schedule as at 31st March 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	28.56	-	-	-	28.56
ii) Others	46.44	0.83	-	-	47.27
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-

14.2 Trade Payables aging schedule as at 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	48.71	-	-	-	48.71
ii) Others	124.57	-	-	-	124.57
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-

14.3 Disclosure:- Micro, Small and Medium Enterprises

Particulars	As at 31st March 2026	As at 31st March 2025
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	28.56	48.71
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.70	1.19
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extend such parties have been identified on the basis of information collected by the Management.

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

15 Debt Securities

Particulars	As at 31st March 2026				As at 31st March 2025			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total
Non-Convertible debentures - Private Issue(Secured)* (Refer Note 15.1)	1,801.36	-	-	1,801.36	2,881.51	-	-	2,881.51
Non-convertible Debentures - Public issue(Secured)** (Refer Note 15.2)	50,515.81	-	-	50,515.81	29,095.58	-	-	29,095.58
Total (A)	**52,317.17**	-	-	**52,317.17**	**31,977.09**	-	-	**31,977.09**
Debt securities in India	52,317.17	-	-	52,317.17	31,977.09	-	-	31,977.09
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	**52,317.17**	-	-	**52,317.17**	**31,977.09**	-	-	**31,977.09**

Nature of Security

*Secured by hypothecation of outstanding gold loan receivables both present and future and all assets to be accrued from the proceeds generated by the private placement of non convertible secured debentures by the Company. The Company shall maintain a minimum security, which shall not be less than the amount of debentures outstanding at any point of time.

**First ranking pari passu charge on all movable assets, including book debts and receivables, cash and bank balances, other moveable assets, loans and advances, both present and future of the company equal to the value of one time of the Non Convertible Debentures outstanding plus interest .

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

15.1 Non-Convertible Debentures -Private Issue(Secured)

A) Details of rate of interest and maturity pattern of Non-Convertible debentures -Private Issue is as under:

Redeemable at par within	As at 31st March 2026							
	Rate of Interest						Total	
	< 12%		>= 12% < 14%		>= 14%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 3-4 years	-	-	2,000	20.00	-	-	2,000	20.00
Due within 2-3 years	-	-	23,165	231.65	-	-	23,165	231.65
Due within 1-2 years	53,960	539.60	9,395	93.95	2,200	22.00	65,555	655.55
Due within 1 year	41,745	417.45	-	-	4,875	48.75	46,620	466.20
Total	95,705	957.05	34,560	345.60	7,075	70.75	1,37,340	1,373.40
Add: Interest Accrued								427.96
Total								1,801.36

Redeemable at par within	As at 31st March 2025							
	Rate of Interest						Total	
	< 12%		>= 12% < 14%		>= 14%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 3-4 years	-	-	25,165	251.65	-	-	25,165	251.65
Due within 2-3 years	53,960	539.60	9,395	93.95	2,200	22.00	65,555	655.55
Due within 1-2 years	41,745	417.45	-	-	4,875	48.75	46,620	466.20
Due within 1 year	1,01,545	1,015.45	-	-	-	-	1,01,545	1,015.45
Total	1,97,250	1,972.50	34,560	345.60	7,075	70.75	2,38,885	2,388.85
Add: Interest Accrued								492.66
Total								2,881.51

B) The Company has privately placed Secured Redeemable Non- Convertible Debentures with a maturity period of 24-96 months and principal amount outstanding Rs.1,373.40 Lakhs (Previous Year: Rs.2,388.85 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2026	As at 31st March 2025	Interest Rate	Tenure
175	09-02-2020	09-08-2027	40.35	40.35	13.33%	90 Months
176	26-02-2020	26-08-2027	32.60	32.60	13.33%	90 Months
177	22-03-2020	22-03-2027	48.75	48.75	14.29%	84 Months
178	24-05-2020	24-05-2025	-	82.30	10.50%-11.85%	60 Months
178	24-05-2020	24-05-2027	22.00	22.00	14.29%	84 Months
179	15-07-2020	15-07-2025	-	212.65	10%-11.29%	60 Months
179	15-07-2020	15-01-2028	21.00	21.00	13.33%	90 Months
180	18-10-2020	18-10-2025	-	37.25	9.25%	60 Months
180	18-10-2020	18-10-2028	13.50	13.50	12.50%	96 Months
181	24-11-2020	24-11-2025	-	236.65	10%-10.75%	60 Months
181	24-11-2020	24-05-2028	62.15	62.15	13.33%	90 Months
182	11-01-2021	11-01-2026	-	117.50	10%-10.75%	60 Months
182	11-01-2021	11-07-2028	20.00	20.00	13.33%	90 Months
183	04-07-2021	04-07-2026	25.00	25.00	9.75%	60 Months
183	04-07-2021	04-10-2028	68.50	68.50	13.79%	87 Months
184	27-09-2021	27-12-2028	14.50	14.50	13.79%	87 Months
185	10-12-2021	10-12-2026	118.00	118.00	9.75%-10.75%	60 Months
185	10-12-2021	10-03-2029	73.00	73.00	13.79%	87 Months
186	14-02-2022	14-02-2027	40.00	40.00	9%-10.12%	60 Months
187	14-03-2022	14-03-2027	20.50	20.50	8.5%-9.6%	60 Months
188	30-03-2022	30-03-2027	25.95	25.95	8.5%-9.6%	60 Months
189	10-06-2022	10-06-2025	-	22.10	8%-9.04%	36 Months
189	10-06-2022	10-06-2027	34.00	34.00	8.5%-9.75%	60 Months
190	07-08-2022	07-08-2025	-	112.00	9%-10%	36 Months

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

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Series	Date of Allotment	Redemption Date	As at 31st March 2026	As at 31st March 2025	Interest Rate	Tenure
190	07-08-2022	07-08-2027	167.10	167.10	9.5%-11%	60 Months
191	20-09-2022	20-09-2025	-	84.00	9%-10%	36 Months
191	20-09-2022	20-09-2027	113.00	113.00	9.5%-11%	60 Months
192	31-01-2023	31-01-2028	100.00	100.00	10.50%	60 Months
193	19-03-2023	19-03-2026	-	91.00	9.75%-10.75%	36 Months
193	19-03-2023	19-03-2028	67.50	67.50	10.25%-11.75%	60 Months
194	30-03-2023	30-03-2028	58.00	58.00	10.25%-11.75%	60 Months
194	30-03-2023	30-03-2026	-	15.00	10.75%	36 Months
195	30-06-2023	30-06-2026	135.00	135.00	9.75%-10.75%	36 Months
196	31-07-2023	31-07-2026	18.00	18.00	9.75%-10.75%	36 Months
197	31-08-2023	31-08-2025	-	5.00	10.00%	24 Months
197	31-08-2023	31-08-2026	6.00	6.00	9.75%	36 Months
198	08-10-2023	08-10-2026	29.00	29.00	9.75%	36 Months
Total Principal			1,373.40	2,388.85		
Add: Interest Accrued			427.96	492.66		
Total			1,801.36	2,881.51		

15.2 Non-Convertible Debentures - Public issue

A) Details of rate of interest and maturity pattern of Non-convertible Debentures - Public issue is as under:

Redeemable at par within	As at 31st March 2026							
	Rate Of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due more than 5 Years	-	-	93,019	930.19	3,62,264	3,622.64	4,55,283	4,552.83
Due within 4-5 Years	-	-	2,67,121	2,671.21	2,20,024	2,200.24	4,87,145	4,871.45
Due within 3-4 years	-	-	84,519	845.19	3,78,337	3,783.37	4,62,856	4,628.56
Due within 2-3 years	-	-	12,23,287	12,232.87	1,13,477	1,134.77	13,36,764	13,367.64
Due within 1-2 years	-	-	5,04,897	5,048.97	3,00,469	3,004.69	8,05,366	8,053.66
Due within 1 year	7,89,192	7,891.92	5,72,731	5,727.31	-	-	13,61,923	13,619.23
Total	7,89,192	7,891.92	27,45,574	27,455.74	13,74,571	13,745.71	49,09,337	49,093.37
Add: Interest Accrued								2,106.78
Less: Effective Interest Rate Adjustment								684.34
Total								**50,515.81**

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MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

As at 31st March 2025								
Redeemable at par within	Rate Of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due more than 5 Years	-	-	-	-	2,98,508	2,985.08	2,98,508	2,985.08
Due within 4-5 Years	-	-	91,265	912.65	3,71,591	3,715.91	4,62,856	4,628.56
Due within 3-4 years	3,701	37.01	1,29,283	1,292.83	1,03,072	1,030.72	2,36,056	2,360.56
Due within 2-3 years	-	-	3,50,796	3,507.96	3,00,469	3,004.69	6,51,265	6,512.65
Due within 1-2 years	-	-	3,86,050	3,860.50	-	-	3,86,050	3,860.50
Due within 1 year	1,05,042	1,050.42	7,41,761	7,417.61	-	-	8,46,803	8,468.03
Total	1,08,743	1,087.43	16,99,155	16,991.55	10,73,640	10,736.40	28,81,538	28,815.38
Add: Interest Accrued								852.21
Less: Effective Interest Rate Adjustment								572.01
Total								29,095.58

B) The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue by the Company stood at Rs.49,093.37 Lakhs (Previous Year: Rs.28,815.38 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2026	As at 31st March 2025	Interest Rate	Tenure
I	21-12-2023	21-06-2025	-	1,193.83	9.75%-10.27%	18 Months
I	21-12-2023	21-12-2025	-	723.52	10.18%-11.00%	24 Months
I	21-12-2023	21-12-2026	2,578.38	2,578.38	10.45%-10.80%	36 Months
I	21-12-2023	21-12-2028	2,360.56	2,360.56	11.03%-11.25%	60 Months
I	21-12-2023	21-03-2030	1,251.32	1,251.32	10.60%	75 Months
II	27-05-2024	29-05-2025	-	1,495.88	9.65%-10.15%	367 Days
II	27-05-2024	26-11-2025	-	367.61	10.25%-10.75%	18 Months
II	27-05-2024	27-05-2026	393.71	393.71	10.5%-10.6%	24 Months
II	27-05-2024	27-05-2027	1,501.33	1,501.33	10.63%-11.73%	36 Months
II	27-05-2024	27-05-2029	845.19	845.19	10.00%-12.07%	60 Months
II	27-05-2024	27-07-2030	784.84	784.84	11.00%	74 Months
III	11-09-2024	16-10-2025	-	2,064.72	9.77%-10.27%	400 Days
III	11-09-2024	11-05-2026	562.60	562.60	10.5%-11.73%	20 Months
III	11-09-2024	11-09-2027	3,004.69	3,004.69	10.70%-10.80%	36 Months
III	11-09-2024	11-09-2029	1,545.00	1,545.00	10.15%-10.17%	60 Months
III	11-09-2024	11-10-2030	1,171.50	1,171.50	10.64%	73 Months
IV	29-01-2025	05-03-2026	-	2,622.47	9.61%-10.12%	400 Days
IV	29-01-2025	29-09-2026	325.81	325.81	10.34%-10.60%	20 Months
IV	29-01-2025	29-01-2028	2,006.63	2,006.63	10.77%-10.80%	36 Months
IV	29-01-2025	29-01-2030	987.05	987.05	10.16%-10.75%	60 Months
IV	29-01-2025	27-02-2031	1,028.74	1,028.74	12.07%	73 Months
V	21-04-2025	26-05-2026	1,866.81	-	10.00%	400 Days
V	21-04-2025	26-04-2028	3,058.25	-	10.75%	36 Months
V	21-04-2025	20-05-2031	930.19	-	10.75%	72 Months
VI	31-07-2025	04-09-2026	2,976.67	-	9.50%	400 Days
VI	31-07-2025	30-07-2028	4,559.71	-	10.25%	36 Months
VI	31-07-2025	29-10-2031	1,322.79	-	11.73%	74 Months
VII	19-12-2025	23-01-2027	4,915.25	-	9.50%-9.75%	400 Days
VII	19-12-2025	19-12-2027	1,541.01	-	10.00%-10.75%	24 Months
VII	19-12-2025	19-12-2028	3,389.12	-	10.25%-10.89%	36 Months
VII	19-12-2025	19-12-2030	1,886.37	-	10.40%-10.75%	60 Months
VII	19-12-2025	19-12-2032	2,299.85	-	11.73%	84 Months
Total Principal			49,093.37	28,815.38		
Add: Interest Accrued			2,106.78	852.21		
Less: Effective Interest Rate Adjustment			684.34	572.01		
Total			50,515.81	29,095.58		

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(All amounts are in Lakhs unless otherwise stated)

16 Borrowings (Other than Debt Securities)

Particulars	As at 31st March 2026				As at 31st March 2025			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total
(a) Term loan								
(i) from banks	17,673.12	-	-	17,673.12	11,301.24	-	-	11,301.24
(ii) from financial institutio	12,558.79	-	-	12,558.79	6,001.07	-	-	6,001.07
(b) Loans repayable on demand								
(i) from banks	5,073.36	-	-	5,073.36	3,760.30	-	-	3,760.30
(ii) from financial institutio	-	-	-	-	-	-	-	-
Total (A)	**35,305.27**	**-**	**-**	**35,305.27**	**21,062.61**	**-**	**-**	**21,062.61**
Borrowings in India	35,305.27	-	-	35,305.27	21,062.61	-	-	21,062.61
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	**35,305.27**	**-**	**-**	**35,305.27**	**21,062.61**	**-**	**-**	**21,062.61**

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16.1 The terms of borrowings from banks and Financial Institutions are as under:

A) Terms and Conditions of borrowings from banks:

Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	
State Bank of India	First charge over all movable assets and current assets, including book debts and receivables, cash and bank balances, loans and advances, both present and future, of the Company, on pari-passu basis with the Secured Creditors including debenture trustees & other banks. Hypothecation of Stage-I Gold loan receivables and should not include receivables of assets which are overdue more than 30 days.Collateral: Exclusive charge (Lien) over the fixed deposit of Rs. 5.00 cr held in the name of the Company with SBI.Exclusive equitable mortgage charge over Land. Personal Guarantee of Mr. Mathew Mathainian, Mr.Richi Mathew, Ms. Ammini Mathew.	-	-	859.03	1,714.21	On Demand
		4,970.00	4,769.90	-	-	Principal to be repaid in 1 Quarterly Installement of 1.20Cr, Principal to be repaid in 6 Quarterly Installments of 1.00Cr, Principal to be repaid in 3 Quarterly Installments of 1.60 Cr and One installment of 1.20 Cr, Principal to be repaid in 24 Monthly Installments of 1.50 Cr and Final Installment of 0.50Cr
Federal Bank	Pari passu first charge by way of hypothecation of entire current assets of the company (present and future) including loan receivables, with secured debentures holders and other banks .Collateral Security – Fixed Deposits in the name of borrower with a coverage of 15% Personal guarantee of Mathew Mathaininan, Ammini Mathew, Richi Mathew.	-	-	353.88	291.67	On Demand
		333.33	999.99	-	-	36 months 12 equal quarterly (Rs1.67Cr/Quarter)(USD 2L)/Quarter)
		1,500.00	2,500.00	-	-	36 months 12 equal quarterly (Rs2.5CR/Quarter)(USD 2.98L/Quarter)
		2,291.67	-	-	-	In 12 Equal Quarterly Instalments of USD 2.35L(INR Equivalent to Rs 2.08CR)

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THIYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

A] Terms and Conditions of borrowings from banks:

Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	
South Indian Bank	First Paripassu charge along with other working capital lenders and debenture holders, by way of hypothecation of loan receivables of standard assets which are not overdue as per RBI/Regulator guidelines. Security Cover of 1.33 times Margin: 25% on standard loan receivables. Personal Guarantee of Mr. Mathew Mathaininan, Mr.Richi Mathew, Ms. Ammini Mathew.	-	-	5.54	1.41	On Demand
		874.39	947.22	-	-	23 Equal Monthly installment of Rs. 41.67 lakhs to be paid Monthly commencing from successive month after first disbursement date / end of moratoriun period (if any) and one last installment of Rs. 41.59 lakhs
		785.90	880.00	-	-	Principal to be repaid in 35 equal monthly instalments of Rs 30,55,554 and last instalment of Rs. 30,55,610. Principal to be repaid in 35 equal monthly instalments of Rs 56,00,000 and last instalment of Rs. 40,00,000.
Karur Vyasa Bank	Primary Security - First pari passu charge on the receivables of the Company including Gold Loan receivables both present and future, and other current assets of the Company with other secured lenders except those specifically charged to any term lenders whether under refinance facility or otherwise (Net of NPA accounts) with a margin of 25%. Collateral of Rs. 600 lakhs of Fixed Deposit with KVB. On Demand Collateral Security - Existing EM charge on commercial vacant land-Personal guarantee of Mathew Mathaininan, Amini Mathew, Richi Mathew.	-	-	479.13	-	On Demand
		-	-	1,500.00	1,201.23	On Demand
		500.00	1,166.67	-	-	Repayable in 12 Quarterly Installments without Holiday period. Door to Door tenor of 36 Months.
Dhanlaxmi bank	Pari passu first charge by way of hypothecation of gold loan receivables and entire current assets of the company both present and future along with other lenders of the company and secured debenture holders with minimum security cover of 1.33 times. Personal Guarantee of Mr. Mathew Mathaininan, Mr.Richi Mathew, Ms. Ammini Mathew.	2,343.75	-	-	-	Principal amount to be repaid in 16 Quaterly Instalments of Rs 1.56 crore(Rs 1,56,25,000) per Quarter

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Name of the Bank	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	
Bandhan Bank Limited	First pari-passu charge on gold loan receivables (0 DPD) and current assets except those receivables specifically and exclusively charged in favour of certain existing charge holders, with security asset coverage ratio of 1.25x times to be maintained at all times both present & future of the company. Irrevocable power of attorney in favour of Bank/Security Trustee. Personal Guarantee of Mr. Mathew Mathainman, Mr.Richi Mathew, Ms. Ammini Mathew.	1,874.81	-	-	-	Principal repayment in 8 Months Equal Instalments After the third month with one repayment scheduled in each quarter and the last installment at the end of two years
AU Small Finance Bank	Pari Passu on present & future loan receivables (Net of Interest portion, Financial Charges, NPA, other charges, etc.) to be created upfront through Deed of Hypothecation / Deed of adherence or any such document required to create charge on requisite assets. Security Margin of 125% for the loan principal outstanding during the currency of the loan. Personal Guarantee of Mr. Mathew Mathainman, Mr.Richi Mathew, Ms. Ammini Mathew.	1,900.00	-	-	-	Repayable in 18 Principal Instalments starting from the following Month From the date of full disbursement
Indian Overseas Bank	First Pari-passu charge on gold loan receivables and current assets of the company along with secured debenture holders and other working capital lenders with minimum security coverage of 1.25. Collateral of FD of Rs 150 lakhs with IOB. Lien on fixed deposits equivalent to 15% of cash credit amount ie. Rs.3.00 crores (15% of Rs.20.00 crores). Personal Guarantee of Mr. Mathew Mathainman, Mr.Richi Mathew, Ms. Ammini Mathew.			1,919.52	570.92	On Demand
Total Principal		17,373.85	11,263.78	5,117.11	3,779.44	
Add: Interest Accrued		21.82	20.99	-	-	
Less: Effective Interest Rate Adjustment		138.84	22.55	43.74	19.14	
Add: Impact on Restatement of Foreign Currency Denominated Borrowings		416.28	39.02	-	-	
Total		17,673.12	11,301.24	5,073.36	3,760.30	

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B] Terms and Conditions of borrowings from Financial Institutions:

		Term Loan		Repayable on Demand		
Name of the Financial Institution	**Security**	**As at 31st March 2026**	**As at 31st March 2025**	**As at 31st March 2026**	**As at 31st March 2025**	**Repayment Terms**
Oxyzo Financial Services Limited	First ranking pari-passu charge by way of hypothecation on the Companies entire Loan receivables (present and future), unencumbered cash and cash equivalents and other current assets along with other existing lenders and ("Hypothecated Assets"). A demand promissory note ("DPN"), a letter of continuity and DPN Delivery cum Waiver Letter.Further, the Lender shall have a general lien and set-off right on all assets of the Borrower on a first ranking pari passu basis, whereby the Lender will be entitled to recover its outstanding Amounts from the sale of any existing and future assets of the Borrower at any point in time during the Facility Tenure on the occurrence of Event of Default. Security cover: 1.20x (One Point Two times) of the Outstanding Amounts under the Facility at all time. Unconditional and Irrevocable Personal Guarantee of Mr. Mathew Mathaininan, Mr. Richi Mathew. Ms. Ammini Mathew.	1,805.56	1,527.78	-	-	18 equal principal instalments
Piramal Enterprises Limited	First pari passu over the entire book debts of the Company, both present and future.Borrower shall ensure that a minimum security cover of 1.25x is maintained at all times during the tenor of the facility.Personal Guarantee of Promoters viz. Mr. Mathew Mathai Ninan and Mr Richi Mathew	800.00	1,200.00	-	-	Principal amount shall be repaid in equal monthly installments. Tenure-15 months from the date of first disbursement under the facility for each tranche under the facility
Bajaj Finance Limited	First Pari passu charge on the loan portfolio of the Borrower by way of hypothecation on the secured loan installments receivables both present and future created from the proceeds of the Facility, with a minimum asset cover of 1.25x on the principal amount and interest during the currency of the loan.Cash collateral of 5% of facility amount secured by lien on term deposit with BFL. Personal Guarantee of Promoters viz. Mr. Mathew Mathai Ninan and Mr Richi Mathew	533.33	800.00	-	-	Repayment in 15 equal monthly installments. First repayment starts from 05-09-2025

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Name of the Financial Institution	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	
Kerala Financial Corporation	Pari-passu first charge by way of hypothecation of the entire present and future book debts and receivables of the NBFC (gold loan receivables) shared with existing lenders and secured debenture holders. Portfolios like Microfinance that are specifically charged to any other lender shall be excluded. A minimum security coverage of 1.25 times the loan sanctioned by the Corporation (minimum of Rs.6250 lakh) shall be ensured with the book debts and receivables of the secured (secured with tangible assets) standard category loans (excluding SMA-2, NPA & Fraud cases) provided by the NBFC.Personal Guarantee of Promoters viz. Mr. Mathew Mathai Ninan and Mr Richi Mathew	4,219.99	2,530.09	-	-	Principal amount is to be repaid in 20 installments commencing at the end of the month of drawal of the first installment. Principal shall be due on every quarter
Paul Merchants Finance Private Limited	For the payment and discharge of the outstanding obligations under the loan, the Borrower as the legal and beneficial owner of the Hypothecated Assets: shall create a first ranking Pari Passu continuing charge by way of hypothecation over receivables, as are required for providing the Security Cover ("Hypothecated Assets"). A demand promissory note in favour of the Lender in the format provided by the Lender. Pari Passu letters from all the lenders to be submitted within 90 days of disbursement. Minimum security cover of 125% (one hundred twenty five percent) shall be maintained by the Borrower from the date of execution of the Deed of Hypothecation till the final settlement date.Minimum security cover of 125% (one hundred twenty five percent) shall be maintained by the Borrower from the date of execution of the Deed of Hypothecation till the final settlement date. Deed of personal guarantee of to be provided by Mr. Richi Mathew, Mr. Mathew Mathaininan, Ms. Ammini Mathew	1,695.15	-	-	-	Repayable in 18 equal monthly instalments, with repayment due on the 10th of each month.

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Name of the Financial Institution	Security	Term Loan		Repayable on Demand		Repayment Terms
		As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025	
STCI Finance Limited	Hypothecation by way of first pari passu charge of debts/receivables fulfilling the following criteria:Arising out of all present and future movable assets including book debts, loan receivables cash and bank balances etc.Of Principal dues only, which are Standard assets,With a coverage of 1.25 times the dues to STCL The borrower must maintain a minimum asset cover of 1.15 times the outstanding loan amount through the exclusive hypothecation of present and future loan assets or book debts. This required coverage must be upheld throughout the duration of the facility.Personal Guarantees of Mr. Richi Mathew, Mr. Mathew Mathaininan, Mrs. Ammini Mathew.	2,000.00	-	-	-	Loan repayable in 24 equal monthly installments
Kisetsu Saison Finance(india) Private liminted	The Facility shall be secured on a first pari-passu charge basis by way of hypothecation over the entire present and future receivables (including only gold loan receivables but excluding personal loan receivables) and other current assets (book debts, stock in trade etc) which the Borrower has received or is entitled to receive, in present or in future, from its borrower/customers, in connection with any existing and future loans/advances, facilities and/or finance provided by the Borrower in its regular course of business and under the facilities constituting the Portfolio, and any other asset, property or right that the Borrower acquires using the proceeds of the Facility and such other assets of the Borrower (collectively referred to as the "Hypothecated Assets"). The Borrower will ensure that the HypothecatedAssets charged in favour of the Lender are sufficientto maintain a security cover of at least 1.25 times ofthe outstanding amounts under the Facility until theoutstanding amounts have been unconditionally andirrevocably repaid and discharged to the satisfactionof the Lender. Unconditional and irrevocable Personal Guarantee of Promoters - Mr. Mathaininan Mathew Muthoot and Mr. Richi Mathew.	1,600.00	-	-	-	The principal amounts under the Facility will be repaid in 15 (fifteen) equal instalments payable on a monthly basis, on the fifteenth (15th) day of every month from the date of disbursement, that is from Drawdown Date.
Total Principal		**12,654.03**	**6,057.87**	-	-	
Add: Interest Accrued		-	17.91	-	-	
Less: Effective Interest Rate Adjustment		95.24	74.71	-	-	
Total		**12,558.79**	**6,001.07**	-	-	

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

16.2 Details of rate of interest and maturity pattern of borrowings (other than debt securities) as on the date of the balance sheet is as under:

As at 31st March 2026				
	Rate of Interest			Total
Repayable within	>7.28% - <=9.80%	>9.80% - <=10.35%	>10.50% - <=11.00%	
Due within 2-3 years	625.00	1,093.75	2,100.00	3,818.75
Due within 1-2 years	2,083.28	808.33	3,384.93	6,276.55
Due within 1 year	5,072.16	11,858.05	8,535.77	25,465.97
Total Principal	**7,780.44**	**13,760.13**	**14,020.70**	**35,561.27**
Add: Interest Accrued				21.82
Less: Effective Interest Rate Adjustment				277.82
Total				**35,305.27**

As at 31st March 2025				
	Rate of Interest			Total
Repayable within	>=8.5% - <=9.15%	>9.15% - <=9.65%	>9.65% - <=10%	
Due within 2-3 years	700.00	213.89	500.00	1,413.89
Due within 1-2 years	2,593.33	1,074.67	1,000.00	4,668.00
Due within 1 year	6,508.47	4,220.95	4,328.79	15,058.21
Total Principal	**9,801.80**	**5,509.51**	**5,828.79**	**21,140.10**
Add: Interest Accrued				38.90
Less: Effective Interest Rate Adjustment				116.39
Total				**21,062.61**

17 **Subordinate Liabilities**

Particulars	As at 31st March 2026				As at 31st March 2025			
	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total	At Amortised Cost	At Fair value through Profit or Loss	Designated at Fair value through Profit or Loss	Total
Subordinated Debt	21,051.51	-	-	21,051.51	20,629.49	-	-	20,629.49
Total (A)	**21,051.51**	-	-	**21,051.51**	**20,629.49**	-	-	**20,629.49**
Borrowings in India	21,051.51	-	-	21,051.51	20,629.49	-	-	20,629.49
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	**21,051.51**	-	-	**21,051.51**	**20,629.49**	-	-	**20,629.49**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

17.1 Details of rate of interest and maturity pattern is as under:

As at 31st March 2026

Redeemable at par within	Rate of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years	-	-	1,66,557	1,665.57	5,58,972	5,589.72	7,25,529	7,255.29
Due within 3-4 years	-	-	-	-	2,54,328	2,543.28	2,54,328	2,543.28
Due within 2-3 years	-	-	1,01,280	1,012.80	29,979	299.79	1,31,259	1,312.59
Due within 1-2 years	79,444	794.44	2,29,444	2,294.44	1,93,665	1,936.65	5,02,553	5,025.53
Due within 1 year	61,570	615.70	2,37,917	2,379.17	51,171	511.71	3,50,658	3,506.58
Total	**1,41,014**	**1,410.14**	**7,35,198**	**7,351.98**	**10,88,115**	**10,881.15**	**19,64,327**	**19,643.27**
Add: Interest Accrued								1,408.24
Total								**21,051.51**

As at 31st March 2025

Redeemable at par within	Rate of Interest						Total	
	<10%		>= 10% < 11%		>=11%			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Due within 4-5 years	-	-	-	-	2,54,328	2,543.28	2,54,328	2,543.28
Due within 3-4 years	-	-	1,00,505	1,005.05	29,246	292.46	1,29,751	1,297.51
Due within 2-3 years	79,744	797.44	2,30,419	2,304.19	1,94,398	1,943.98	5,04,561	5,045.61
Due within 1-2 years	61,770	617.70	2,38,217	2,382.17	51,171	511.71	3,51,158	3,511.58
Due within 1 year	2,08,222	2,082.22	3,22,292	3,222.92	95055	950.55	6,25,569	6,255.69
Total	**3,49,736**	**3,497.36**	**8,91,433**	**8,914.33**	**6,24,198**	**6,241.98**	**18,65,367**	**18,653.67**
Add: Interest Accrued								1,975.82
Total								**20,629.49**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

17.2 The principal amount of outstanding privately placed subordinated liabilities issued by the Company stood at Rs.19,643.27 Lakhs (Previous Year: Rs.18,653.67 Lakhs)

Series	Date of Allotment	Redemption Date	As at 31st March 2026	As at 31st March 2025	Interest Rate	Tenure
12	19-04-20 - 17-05-20	19-04-25 - 17-05-25	-	680.11	10.00% - 11.29%	60 Months
13	19-05-20 - 29-05-20	19-05-25 - 29-05-25	-	237.30	10.00% - 11.29%	60 Months
14	31-05-20 - 28-06-20	31-05-25 - 28-06-25	-	353.65	9.75% - 10.97%	60 Months
15	30-06-20 - 28-07-20	30-06-25 - 28-07-25	-	331.71	9.75% - 10.97%	60 Months
16	02-08-20 - 28-08-20	02-08-25 - 28-08-25	-	771.37	9.00% - 10.97%	60 Months
17	01-09-20 - 29-09-20	01-09-25 - 29-09-25	-	318.30	9.00% - 9.75%	60 Months
18	02-10-20 - 28-10-20	02-10-25 - 28-10-25	-	330.53	9.25% - 10.00%	60 Months
19	01-11-20 - 29-11-20	01-11-25 - 29-11-25	-	730.93	9.85% - 10.50%	60 Months
20	01-12-20 - 27-12-20	01-12-25 - 27-12-25	-	311.04	9.85% - 10.50%	60 Months
21	31-12-20 - 28-01-21	31-12-25 - 28-01-26	-	984.00	10.25% - 11.00%	60 Months
22	31-01-21 - 26-02-21	31-01-26 - 26-02-26	-	814.01	10.25% - 11.00%	60 Months
23	02-03-21 - 18-03-21	02-03-26 - 18-03-26	-	125.81	9.20% - 10.45%	60 Months
24	21-03-21 - 18-04-21	21-03-26 - 18-04-26	194.81	461.74	10.25% - 11.00%	60 Months
25	20-04-21 - 18-05-21	20-04-26 - 18-05-26	291.49	291.49	10.25% - 11.00%	60 Months
26	23-05-21 - 17-06-21	23-05-26 - 17-06-26	321.72	321.72	10.00% - 11.00%	60 Months
27	20-06-21 - 18-07-21	20-06-26 - 18-07-26	322.88	322.88	10.00% - 11.00%	60 Months
28	20-07-21 - 17-08-21	20-07-26 - 17-08-26	292.59	292.59	10.00% - 11.00%	60 Months
29	19-08-21 - 16-09-21	19-08-26 - 16-09-26	370.53	373.53	10.00% - 11.00%	60 Months
30	19-09-21 - 17-10-21	19-09-26 - 17-10-26	406.87	406.87	10.00% - 11.00%	60 Months
31	19-10-21 - 16-11-21	19-10-26 - 16-11-26	475.03	475.03	10.00% - 11.00%	60 Months
32	18-11-21 - 16-12-21	18-11-26 - 16-12-26	234.70	234.70	9.00% - 10.00%	60 Months
33	19-12-21 - 17-01-22	19-12-26 - 17-01-27	362.79	363.79	9.00% - 10.00%	60 Months
34	19-01-22 - 30-01-22	19-01-27 - 30-01-27	139.32	140.32	9.00% - 10.00%	60 Months
35	01-02-22 - 01-03-22	01-02-27 - 01-03-27	79.55	79.55	8.00% - 9.00%	60 Months
36	03-03-22 - 14-03-22	03-03-27 - 14-03-27	14.30	14.30	8.00% - 9.00%	60 Months
37	18-07-22 - 15-08-22	18-07-27 - 15-08-27	1,103.59	1,106.59	9.50% - 11.00%	60 Months
38	18-08-22 - 15-09-22	18-08-27 - 15-09-27	245.56	245.56	9.50% - 11.00%	60 Months
39	26-09-22 - 24-10-22	26-09-27 - 24-10-27	849.35	849.35	10.00% - 12.00%	60 Months
40	27-10-22 - 24-11-22	27-10-27 - 24-11-27	918.41	918.41	10.25% - 12.00%	60 Months
41	27-11-22 - 22-12-22	27-11-27 - 22-12-27	604.40	604.40	10.25% - 12.00%	60 Months
42	25-12-22 - 22-01-23	25-12-27 - 22-01-28	407.38	407.38	10.25% - 12.00%	60 Months
43	24-01-23 - 21-02-23	24-01-28 - 21-02-28	465.30	467.30	10.50% - 12.00%	60 Months
44	23-02-23 - 24-03-23	23-02-28 - 24-03-28	357.31	357.31	10.50% - 12.00%	60 Months
45	26-03-23 - 23-04-23	26-03-28 - 23-04-28	278.34	278.34	10.50% - 12.00%	60 Months
46	25-04-23 - 24-05-23	25-04-28 - 24-05-28	270.48	270.48	10.50% - 12.00%	60 Months
47	28-05-23 - 26-06-23	28-05-28 - 26-06-28	185.20	185.20	10.00% - 11.00%	60 Months
48	29-06-23 - 26-07-23	29-06-28 - 26-07-28	455.03	455.03	10.00% - 11.00%	60 Months
49	28-07-23 - 25-08-23	28-07-28 - 25-08-28	197.77	197.77	10.00% - 11.00%	60 Months
50	28-05-24 - 25-06-24	28-05-29 - 25-06-29	452.38	452.38	12.00% - 14.00%	60 Months





MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Series	Date of Allotment	Redemption Date	As at 31st March 2026	As at 31st March 2025	Interest Rate	Tenure
51	27-06-24 - 18-07-24	27-06-29 - 18-07-29	282.70	282.70	12.00% - 14.00%	60 Months
52	12-09-24 - 14-10-24	12-09-29 - 14-10-29	523.40	523.40	11.00% - 13.75%	60 Months
53	15-10-24 - 17-11-24	15-10-29 - 17-11-29	208.06	208.06	11.00% - 12.85%	60 Months
54	25-11-24 - 27-01-25	25-11-29 - 27-01-30	385.51	385.51	11.00% - 13.40%	60 Months
55	29-01-25 - 10-03-25	29-01-30 - 10-03-30	691.23	691.23	11.40% - 13.40%	60 Months
56	18-04-25 - 22-04-25	18-04-30 - 22-04-30	20.80	-	10.25% - 12.00%	60 Months
57	23-04-25 - 25-04-25	23-04-30 - 25-04-30	51.60	-	11.25% - 13.25%	60 Months
58	25-04-25 - 06-07-25	25-04-30 - 06-07-30	264.08	-	10.25% - 12.00%	60 Months
59	30-07-25 - 21-09-25	30-07-30 - 21-09-30	865.76	-	10.75% - 12.82%	60 Months
60	25-09-25 - 05-10-25	25-09-30 - 05-10-30	38.80	-	10.25% - 12.12%	60 Months
61	06-10-25 - 15-10-25	06-10-30 - 15-10-30	791.49	-	11.25% - 13.25%	60 Months
62	18-12-25 - 28-01-26	18-12-30 - 28-01-31	615.50	-	10.50% - 12.50%	60 Months
63	03-02-26 - 18-02-26	03-02-31 - 18-02-31	484.73	-	10.50% - 13.50%	60 Months
64	20-02-26 - 12-03-26	20-02-31 - 12-03-31	2,818.60	-	11.50% - 13.50%	60 Months
65	15-03-26 - 30-03-26	15-03-31 - 30-04-32	1,303.93	-	11.50% - 16.44%	60-73 Months
Total Principal			19,643.27	18,653.67		
Add: Interest Accrued			1,408.24	1,975.82		
Total			**21,051.51**	20,629.49		

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

18 Other Financial Liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
Unpaid matured debentures and Interest accrued thereon	7.25	38.94
Unpaid Subordinate Debt and Interest Accrued thereon	156.67	69.43
Creditors for capital goods	19.98	93.97
Employee Related Payables	32.34	300.06
Others	134.12	111.30
	350.36	**613.70**

18.1 Unpaid matured debentures and Interest accrued thereon include an amount of Rs.0.25 Lakhs (Previous Year : Nil), Liability towards Investor Education and Protection Fund towards unpaid matured deposits and interest on matured deposits

19 Provisions

Particulars	As at 31st March 2026	As at 31st March 2025
Employee Benefits (Refer Note 34)		
- Gratuity	209.42	149.69
- Leave Encashment	83.52	42.05
	292.94	**191.74**

20 Other Non-financial liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory Dues Payable	74.27	150.04
	74.27	**150.04**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

21 Equity Share Capital

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
15,90,00,000 (Previous Year: 5,50,00,000) equity shares of Rs.10/- each	15,90,00,000	15,900.00	5,50,00,000	5,500.00
1,40,000 (Previous Year: Nil) preference shares of Rs.10/- each	1,40,00,000	1,400.00	-	-
Total	**17,30,00,000**	**17,300.00**	**5,50,00,000**	**5,500.00**
Issued, subscribed and fully paid				
14,56,74,988 (Previous Year: 3,64,18,747) equity shares of Rs.10/- each	14,56,74,988	14,567.50	3,64,18,747	3,641.87
Total	**14,56,74,988**	**14,567.50**	**3,64,18,747**	**3,641.87**

21.1 Reconciliation of the Number of Equity Shares outstanding

The reconciliation of the number of equity shares outstanding and the corresponding amount thereof, as at the Balance Sheet date is set out below:

Equity Shares	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	3,64,18,747	3,641.87	3,64,18,747	3,641.87
Add: Issued during the year	10,92,56,241	10,925.62	-	-
At the end of the year	**14,56,74,988**	**14,567.50**	**3,64,18,747**	**3,641.87**

21.2 Rights, preferences and restrictions in respect of each class of shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

21.3 Details of Equity shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
M. Mathew	6,25,87,332	42.96%	1,56,46,833	42.96%
Richi Mathew	5,20,29,268	35.72%	1,30,07,317	35.72%
Reena Verghese	2,18,51,248	15.00%	54,62,812	15.00%
Asha Richi Mathew	87,40,500	6.00%	21,85,125	6.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

21.4 Details of Shares held by promoters at the end of the year

As at 31st March 2026

Promoter name	No. of Shares	% of total shares	% Change during the year
M. Mathew	6,25,87,332	42.96%	0%
Richi Mathew	5,20,29,268	35.72%	0%
Reena Verghese	2,18,51,248	15.00%	0%
Ammini Mathew	4,64,964	0.32%	0%
Asha Richi Mathew	87,40,500	6.00%	0%
Total	**14,56,73,312**		

As at 31st March 2025

Promoter name	No. of Shares	% of total shares	% Change during the year
M. Mathew	1,56,46,833	42.96%	-
Richi Mathew	1,30,07,317	35.72%	-
Reena Verghese	54,62,812	15.00%	-
Ammini Mathew	1,16,241	0.32%	-
Asha Richi Mathew	21,85,125	6.00%	-
Total	**3,64,18,328**		

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

22 Other Equity

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)		
Balance at the beginning of the year	3,945.57	3,383.78
Add: Transfer from retained earnings	1,070.00	561.79
Balance at the end of the year	**5,015.57**	**3,945.57**
Capital Redemption Reserve		
Balance at the beginning of the year	2,280.63	2,280.63
Balance at the end of the year	**2,280.63**	**2,280.63**
Impairment Reserve		
Balance at the beginning of the year	311.92	311.92
Add: Transferred from Retained Earnings	-	-
Balance at the end of the year	**311.92**	**311.92**
Retained Earnings		
Balance at the beginning of the year	9,074.48	6,827.34
Add: Profit for the year	5,334.71	2,808.93
Less: Appropriations		
Transferred to Statutory Reserve	1,070.00	561.79
Transferred to Impairment Reserve	-	-
Issue of Bonus Share	10,925.62	
Total appropriations	**11,995.63**	**561.79**
Balance at the end of the year	**2,413.56**	**9,074.48**
Other Comprehensive Income		
Balance at the beginning of the year	**(25.34)**	**20.64**
Add: Additions during the year	53.94	(45.98)
Balance at the end of the year	**28.60**	**(25.34)**
	10,050.28	**15,587.26**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

(i) Statutory Reserve:

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the year is transferred to the fund.

(ii) Capital Redemption Reserve:

This reserve created on account of buyback of equity shares during the financial year 2016-17.

(iii) Impairment Reserve:

As per Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023, Where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification, and Provisioning (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision of the Reserve Bank.

(iv) Retained Earnings:

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(v) Other comprehensive income:

Effective portion of Cash Flow Hedges and Cost of Hedging Reserve

Effective portion of cash flow hedges represents the cumulative gains/(losses) arising on changes in fair value of the derivative instruments designated as cash flow hedges through OCI. The amount recognized as effective portion of Cash flow hedge is reclassified to profit or loss when the hedged item affects profit or loss. The company designates the spot element of foreign currency forward contracts as hedging instruments. The changes in the fair value of forward element of the forward contract on reporting date is deferred and retained in the cost of hedging reserve.

Remeasurement of defined benefit plans

It represents the gain/(loss) on remeasurement of Defined Benefit Obligation

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

23 Interest Income

Particulars	Year ended 31st March 2026			Year ended 31st March 2025		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	24,183.57	-	-	16,054.23	-
Interest on Deposit with banks	-	228.62	-	-	252.96	-
	-	24,412.19	-	-	16,307.19	-

24 Fees and Commission Income

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Service Charges Received	221.67	99.00
Commission Received	52.28	0.84
	273.94	99.84

25 Other Income

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Finance income on security deposit	23.37	18.68
Miscellaneous Income	56.47	44.93
Penal Charges	93.02	120.72
Gain on cancellation of lease	12.26	51.26
Gain on sale of mutual fund	7.80	-
	192.92	235.99

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26 Finance Costs

Particulars	Year ended 31st March 2026		Year ended 31st March 2025	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt Securities	-	4,962.57	-	2,753.90
Interest on Borrowings (other than Debt Securities)	-	3,429.58	-	1,970.49
Interest on Subordinate Liabilities	-	1,864.69	-	2,094.78
Interest on Lease Liabilities	-	495.94	-	478.21
	-	10,752.77	-	7,297.38

27 Impairment on Financial Instruments

Particulars	Year ended 31st March 2026		Year ended 31st March 2025	
	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost
Loans	-	108.80	-	447.98
	-	108.80	-	447.98

28 Employee Benefits Expenses

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	3,746.44	3,036.76
Contribution to provident and other funds	127.97	97.24
Staff welfare expenses	12.82	11.28
	3,887.23	3,145.28

29 Depreciation and Amortisation Expense

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation of tangible assets	302.66	222.82
Depreciation of right-of- use asset	831.85	738.67
Amortization of intangible assets	0.65	0.70
	1,135.16	962.19

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30 Other expenses

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Rent	299.26	117.47
Rates and taxes	19.69	38.99
Repairs and maintenance	44.93	47.02
Communication Costs	54.09	71.08
Printing and stationery	67.98	63.23
Advertising and sales promotion	268.82	115.61
Directors' Sitting Fees	2.88	2.58
Auditor's fees and expenses (Refer Note 30.1)	16.50	17.00
Professional charges	270.11	25.06
Insurance	87.28	68.12
Electricity Charges	86.74	69.56
Computer maintenance and services	9.30	9.14
Expenditure on Corporate Social Responsibility (Refer note 30.2)	47.62	54.34
Travelling and conveyance	147.75	96.63
Office expenses	254.57	191.24
Bad Debts	4.18	-
Fees and Commission expense	27.97	-
	1,709.66	**987.07**

30.1 Auditors' fees and expenses:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
As Auditor's (including limited review)	10.00	10.00
For Taxation Matters	1.50	2.00
For Other services	5.00	5.00
	16.50	**17.00**

30.2 Corporate Social Responsibility Expenses:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
a) Amount required to be spent by the company during the year	69.60	54.34
b) Amount approved by the board to be spent during the year	69.60	54.34
c) Amount spent during the year on:		
i. Construction/acquisition of any asset	-	-
ii. On purposes other than (i) above	47.62	54.34
d) Nature of CSR activities	Amount distributed for promoting livelihood and healthcare	Amount distributed for promoting livelihood and healthcare
e) Shortfall at the year end	21.99	-
f) Reason for shortfall	The management has proposed to transfer the shortfall to a fund specified in Schedule VII to the Companies Act, 2013	-
g) Details of related party transactions	NIL	NIL

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31 Earnings Per Share (EPS)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
A) Profit after Tax attributable to the Equity Shareholders	5,334.71	2,808.93
B) Number of Equity Shares at the beginning of the year	3,64,18,747	3,64,18,747
C) Number of Equity Shares issued during the year	10,92,56,241	-
D) Number of Equity Shares at the end of the year	14,56,74,988	3,64,18,747
E) Weighted average number of Equity Shares outstanding during the year *	14,56,74,988	14,56,74,988
F) Nominal Value of each Equity Share (Rs.)	10	10
Basic Earnings per Share (Rs.)(A/E)	**3.66**	**1.93**
Diluted Earnings per Share (Rs.)(A/E)	**3.66**	**1.93**

*During the financial year, the company has issued 10,92,56,241 number of equity shares to existing equity shareholders as bonus shares. Therefore, the total number of equity shares has increased from 3,64,18,747 to 14,56,74,988 without an increase in resources. The number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported, i.e., weighted average number of equity shares considered for Earnings Per Share computation for the financial year ended 2025 is also restated from 3,64,18,747 to 14,56,74,988 to comply with Ind AS 33 -Earnings Per Share (EPS) issued by the Institute of Chartered Accountants of India.

32 Contingent Liabilities and Commitments

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Contingent Liabilities		
Claims against the Company not acknowledged as debts:		
Income tax demands pending rectification	98.33	111.87
	98.33	**111.87**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
	-	-

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33 Income Tax

The Company has computed the tax expense of the current financial year and previous year as per the provisions of section 115BAA of the income Tax Act, 1961. Accordingly, the provision for current and deferred tax has been computed at the rate of 25.168%.

A) The components of income tax expense for the year ended 31st March 2026 and 31st March 2025 are:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Current tax	1,854.22	963.95
Deferred tax relating to origination and reversal of temporary differences	73.03	15.79
Adjustment in respect of income tax of prior years	23.48	14.05
Income tax expense reported in Statement of Profit and Loss	**1,950.73**	**993.79**
Income tax recognised in other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year:		
- Remeasurement of defined benefit plans	2.77	(1.70)
- Changes in value of forward element of forward contract	-	1.72
- Effective portion of gain on hedging instruments in cash flow hedges	(13.61)	15.45
Income tax charged to OCI	**(10.84)**	**15.47**

B) Reconciliation of Income tax expense:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2026 and year ended 31st March 2025 is, as follows:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Accounting profit before tax	7,285.44	3,802.72
At India's statutory income tax rate of 25.168% (2025: 25.168%)	1,833.60	957.07
Add: Tax on Expenses disallowed in Income Tax Act	93.65	22.67
Add: Adjustments in respect of income tax of prior year	23.48	14.05
Income tax expense reported in the Statement of Profit and Loss	**1,950.73**	**993.79**

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C) The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Fixed asset: Timing difference on account of Depreciation and Amortisation	326.99	263.94
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 not adjusted under Income Tax Act, 1961	-	62.01
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	(13.61)	17.17
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(209.50)	(140.60)
On Other Provisions/Disallowances	69.56	43.95
Deferred Tax Assets/(Liabilities) (Net)	**173.44**	**246.47**

D) Reconciliation of deferred tax assets/(liabilities)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Opening balance	246.47	246.79
Tax income/(expense) during the period recognised in Statement of Profit and Loss	(73.03)	(15.79)
Tax income/(expense) during the period recognised in OCI	-	15.47
Closing balance	**173.44**	**246.47**

Movement of Deferred Tax Asset/Liability	As at 31st March 2025	Recognised in P&L	Recognised in OCI	As at 31st March 2026
Fixed asset: Timing difference on account of Depreciation and Amortisation	263.94	63.05	-	326.99
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109 not adjusted under Income Tax Act, 1961	62.01	(62.01)	-	-
On Fair Value Changes of derivative asset not adjusted under Income Tax Act, 1961	17.17	(30.78)	-	(13.61)
On Amortisation of expenses under Effective Interest Rate method for financial liabilities not permitted under Income Tax Act, 1961	(140.60)	(68.90)	-	(209.50)
On Other Provisions/Disallowances	43.95	25.61	-	69.56
	246.47	**(73.03)**	**-**	**173.44**

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34 Retirement Benefit Plan

A) Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs.25.23 lakhs (Previous Year: Rs.17.78 lakhs) for Employee State Insurance Scheme contributions and Rs.102.75 lakhs(Previous Year: Rs.79.46 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

B) Defined Benefit Plan(Gratuity)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The principal assumptions used in determining gratuity:

Particulars	As at 31st March 2026	As at 31st March 2025
Mortality table	IALM 2012-14 Ult	IALM 2012-14 Ult
Superannuation age	58 Years	58 Years
Early retirement and disablement	None	None
Discount rate	6.59%	6.50%
Inflation rate	7%	7%
Return on asset	N/A	N/A
Remaining working life	5	5
Formula used	Projected unit credit Method with control period of one year	Projected unit credit Method with control period of one year

Details of Change in Present value of Defined Benefit Obligation is as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Present Value of Defined Benefit Obligation at Beginning of Year	149.69	117.92
Current Service Cost	44.31	31.78
Interest Cost	12.61	10.78
Actuarial (Gain)/Loss due to change in assumptions and experience deviation	13.79	(6.76)
Benefits Paid	(10.99)	(4.03)
Present Value of Defined Benefit Obligation at End of Year	209.42	149.69

Changes in fair value of plan assets
Not applicable as scheme is unfunded

Funded status
Not applicable as scheme is unfunded

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Amount to be Recognised in Balance sheet:

Particulars	As at 31st March 2026	As at 31st March 2025
Present Value of Defined Benefit Obligation at End of Year	209.42	149.69
Fair value of Plan Asset	-	-
Liability(-)/Asset(+) recognised in Balance Sheet	(209.42)	(149.69)
Current Liability	30.37	24.87
Non-Current Liability	179.05	124.82

Net Expense Recognised in Statement of Profit and Loss

Particulars	As at 31st March 2026	As at 31st March 2025
Current service cost	44.31	31.78
Interest cost	12.61	10.78
Income (-)/Expense(+) recognised in the Statement of Profit and Loss	56.92	42.56

Amounts recognised in Other Comprehensive Income

Particulars	As at 31st March 2026	As at 31st March 2025
Actuarial gain /(loss) due to assumption changes	1.00	(5.39)
Experience adjustments[Gain/(Loss)]	(14.79)	12.15
Amounts recognised in Other Comprehensive Income	(13.79)	6.76

Sensitivity Analysis

Particulars	As at 31st March 2026	As at 31st March 2025
Current year basis	209.42	149.69
Last years basis	210.42	144.30
Discount rate increased by 0.25%	206.68	147.72
Discount rate decreased by 0.25%	212.22	151.71
Salary Escalation rate increased by 2%	231.25	165.42
Salary Escalation rate decreased by 2%	190.78	136.29
Employee Turnover rate increased by 2%	200.44	143.14
Employee Turnover rate decreased by 2%	219.66	157.24

C) Compensated Absence (Leave encashment)

The principal assumptions used in determining leave encashment obligations for the Company's plans are shown below:

Particulars	As at 31st March 2026	As at 31st March 2025
Mortality table	IALM 2012-14 ULT	IALM 2012-14 ULT
Superannuation age	58 Years	58 Years
Early retirement and disablement	None	None
Discount rate	6.90%	6.90%
Inflation rate	7%	7%
Return on asset	N/A	N/A
Remaining working life	5	5
Formula used	Projected unit credit Method with control period of one year	Projected unit credit Method with control period of one year





35 Maturity analysis of Assets and Liabilities :

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31st March 2026			As at 31st March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and Cash Equivalents	696.74	-	696.74	925.47	-	925.47
Bank Balance other than above	2,313.63	174.02	2,487.64	2,233.09	498.14	2,731.23
Derivative financial instruments	397.48	-	397.48	17.81	-	17.81
Loans	1,30,380.45	215.73	1,30,596.18	89,342.97	330.50	89,673.47
Adjustment on Account of ECL			(732.23)			(623.43)
Other Financial Assets	592.46	21.82	614.28	4.81	584.98	589.79
Total (A)	**1,34,380.77**	**411.56**	**1,34,060.10**	**92,524.15**	**1,413.62**	**93,314.34**
Non-Financial Assets						
Deferred Tax Assets (Net)	-	173.44	173.44	-	246.47	246.47
Property, Plant and Equipment	-	922.18	922.18	-	967.84	967.84
Other Intangible Assets	-	1.22	1.22	-	1.87	1.87
Right-of-Use Asset	-	4,260.18	4,260.18	-	4,245.11	4,245.11
Other Non-Financial Assets	515.19	7.87	523.05	26.42	277.95	304.37
Total (B)	**515.19**	**5,364.88**	**5,880.07**	**26.42**	**5,739.24**	**5,765.66**
Total Assets (A+B)	**1,34,895.95**	**5,776.45**	**1,39,940.17**	**92,550.57**	**7,152.86**	**99,080.00**
Liabilities						
Financial Liabilities						
Derivative Financial Instruments	-	-	-	54.45	-	54.45
Trade Payables						
(A) total outstanding dues of micro and small enterprises	28.56	-	28.56	48.71	-	48.71
(B) total outstanding dues of creditors other than micro and small enterprises.	47.27	-	47.27	124.57	-	124.57
Debt Securities	14,677.37	38,324.14	53,001.51	9,909.30	22,639.80	32,549.10
Less: Adjustment on account of EIR			(684.34)			(572.01)
Borrowings	25,487.79	10,095.30	35,583.09	15,097.09	6,081.91	21,179.00
Less: Adjustment on account of EIR			(277.82)			(116.39)
Subordinate Liabilities	3,877.27	17,174.24	21,051.51	7,338.09	13,291.40	20,629.49
Lease Liabilities	1,259.45	3,700.80	4,960.25	1,101.31	3,716.91	4,818.22
Other Financial Liabilities	350.36	-	350.36	613.70	-	613.70
Total (C)	**45,728.06**	**69,294.48**	**1,14,060.39**	**34,287.22**	**45,730.02**	**79,328.84**

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Particulars	As at 31st March 2026			As at 31st March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-Financial Liabilities						
Current tax liabilities (Net)	894.79	-	894.79	180.25	-	180.25
Provisions	83.81	209.13	292.94	48.24	143.50	191.74
Other Non-Financial Liabilities	74.27	-	74.27	150.04	-	150.04
Total (D)	**1,052.87**	**209.13**	**1,262.00**	**378.53**	**143.50**	**522.03**
Total Liabilities (C+D)	**46,780.94**	**69,503.60**	**1,15,322.39**	**34,665.75**	**45,873.52**	**79,850.87**
Net	**88,115.02**	**(63,727.16)**	**24,617.78**	**57,884.82**	**(38,720.66)**	**19,229.13**

36 Changes in Liabilities arising from Financing Activities

Particulars	As at 31st March 2025	Cash Flows	Other	As at 31st March 2026
Debt Securities	31,977.09	20,340.08	-	52,317.17
Borrowings (Other than Debt Securities)	21,062.61	14,193.75	48.91	35,305.27
Subordinate Liabilities	20,629.49	422.02	-	21,051.51
Total	**73,669.19**	**34,955.85**	**48.91**	**1,08,673.96**

Particulars	As at 31st March 2024	Cash Flows	Other	As at 31st March 2025
Debt Securities	14,626.37	16,577.08	773.64	31,977.09
Borrowings (Other than Debt Securities)	19,275.99	1,747.72	38.90	21,062.61
Subordinate Liabilities	23,300.00	(2,331.85)	(338.66)	20,629.49
Total	**57,202.36**	**15,992.95**	**473.88**	**73,669.19**

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37 Related Parties Disclosures.

A List of related parties and nature of relationship with Company

I. Enterprises owned or significantly influenced by key management personnel or their relatives.

1. Muthoot Mercantile Nidhi Limited
2. Muthoot Syndicate Nidhi Limited
3. Muthoot Mutual Fund Limited
4. Muthoot Computer Software Development and research Institute Private Limited
5. Richi Mathew Software Technologies Limited
6. Richi Mathew Securities
7. Muthoot AI Labs Limited

II. Key Managerial Personnel and Relatives

1. Richi Mathew (Managing Director)
2. M Mathew (Wholetime Director)
3. Ammini Mathew (Wholetime Director)
4. Asha Richi Mathew (Director)
5. Nimisha Elisabeth Verghese (Daughter of Reena Verghese- relative of M Mathew)
6. Justin D (Director - Independent and non executive)
7. M R Rajeev (Chief Financial Officer)(Resigned from 03/07/2025)
8. Raghul S R (Chief Financial Officer)(Resigned from 16/03/2026)
9. Arun Kumar V K (Company Secretary)(Resigned from 15/10/2025)
10. Vatanapally Haridas Rupesh (Company Secretary) (With effect from 18/04/2026)
11. Reena Verghese (Daughter of M Mathew)
12. Giselle Richi (Daughter of Richi Mathew)
13. Gabriela Ninan Richi (Daughter of Richi Mathew)
14. Pathrose Ladislal (Director - Additional Director)
15. Nikita Elizabeth Verghese (Daughter of Reena Verghese - relative of M Mathew)
16. Antony Robert John (Director - Independent and non executive)
17. Raghupathy S (Chief Financial Officer)(Resigned from 07/11/2025)
18. Bagavath Krishnan Venugopal (Chief Financial Officer)(With effect from 16/03/2026)
19. Rakesh perunilath (Company Secretary)(Resigned from 12/02/2026)

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B Related Party Transactions during the year

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
Rent Paid				
M Mathew	-	-	16.35	16.35
Ammini Mathew	-	-	16.35	16.35
Remuneration				
M.Mathew	-	-	24.00	24.00
Richi Mathew	-	-	60.00	75.00
Ammini Mathew	-	-	24.00	24.00
Asha Richi Mathew	-	-	12.00	12.00
Reghupathy S	-	-	10.72	-
Rakesh P	-	-	4.27	-
Raghul S R	-	-	12.81	-
M R Rajeev	-	-	6.64	24.29
Arun Kumar V K	-	-	7.03	0.68
Remya R S	-	-	-	7.19
Neethu C Biju	-	-	-	3.30
Commission				
M Mathew	-	-	-	150.12
Richi Mathew	-	-	-	150.12
Profit in Lieu of Salary				
M Mathew	-	-	144.50	-
Richi Mathew	-	-	40.25	-
Perquisite				
Richi Mathew	-	-	10.00	-
Professional fee				
Richi Mathew	-	-	25.65	-
Richi mathew software technologies	11.00	-	-	-
Brokerage				
Richi Mathew	-	-	7.48	-
Richi mathew securities ltd	20.02	-	-	-

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(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
Director's Sitting Fee				
M.Mathew	-	-	0.63	0.45
Richi Mathew	-	-	0.63	0.45
Asha Richi Mathew	-	-	0.24	0.45
Ammini Mathew	-	-	0.63	0.42
Dillark Justin	-	-	0.09	0.36
Antony Robert John	-	-	0.63	0.45
Ladislas P			0.03	-
Gratuity Paid				
M R Rajeev	-	-	2.19	-
Interest paid on Debentures				
Nikita Elizabeth Verghese	-	-	1.40	-
Interest paid on Subordinate Debts				
Nikita Elizabeth Verghese	-	-	14.51	3.66
Giselle Richi	-	-	4.09	1.04
Asha Richi Mathew	-	-	0.41	0.29
Reena Verghese	-	-	6.32	0.75
M Mathew	-	-	32.82	37.56
Ammini Mathew	-	-	0.59	1.95
Gabriela Ninan Richi	-	-	2.75	-
Nimisha Elizabeth Verghese	-	-	21.36	-
Richi Mathew	-	-	0.77	1.03

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C Balance outstanding as at the year end

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
Debt Securities				
Nikita Elizabeth Verghese				
Balance outstanding at the beginning	-	-	5.10	5.10
Amount Accepted	-	-	-	-
Amount Repaid	-	-	5.10	-
Balance outstanding at the year end	-	-	-	5.10
Asha Richi Mathew				
Balance outstanding at the beginning	-	-	17.15	17.15
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	-
Balance outstanding at the year end	-	-	17.15	17.15
M Mathew				
Balance outstanding at the beginning	-	-	-	7.00
Amount Accepted	-	-	-	-
Amount Repaid	-	-	-	7.00
Balance outstanding at the year end	-	-	-	-
Subordinate Liabilities				
Nikita Elizabeth Verghese				
Balance outstanding at the beginning	-	-	27.75	34.10
Amount Accepted	-	-	-	-
Amount Repaid	-	-	25.75	6.35
Balance outstanding at the year end	-	-	2.00	27.75
Giselle Richi				
Balance outstanding at the beginning	-	-	12.65	12.45
Amount Accepted	-	-	9.25	2.00
Amount Repaid	-	-	7.50	1.80
Balance outstanding at the year end	-	-	14.40	12.65
Asha Richi Mathew				
Balance outstanding at the beginning	-	-	2.00	2.00
Amount Accepted	-	-	8.10	2.00
Amount Repaid	-	-	4.60	2.00
Balance outstanding at the year end	-	-	5.50	2.00
Reena Verghese				
Balance outstanding at the beginning	-	-	9.10	10.37
Amount Accepted	-	-	1.30	-
Amount Repaid	-	-	6.65	1.27
Balance outstanding at the year end	-	-	3.75	9.10

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Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
Gabriela Ninan Richi				
Balance outstanding at the beginning	-	-	10.00	10.00
Amount Accepted	-	-	7.75	-
Amount Repaid	-	-	5.00	-
Balance outstanding at the year end	-	-	12.75	10.00
M Mathew				
Balance outstanding at the beginning	-	-	472.90	501.76
Amount Accepted	-	-	-	14.75
Amount Repaid	-	-	145.40	43.61
Balance outstanding at the year end	-	-	327.50	472.90
Nimisha Elizabeth Verghese				
Balance outstanding at the beginning	-	-	38.95	38.95
Amount Accepted	-	-	-	-
Amount Repaid	-	-	38.95	-
Balance outstanding at the year end	-	-	-	38.95
Ammini Mathew				
Balance outstanding at the beginning	-	-	22.10	43.85
Amount Accepted	-	-	-	-
Amount Repaid	-	-	7.90	21.75
Balance outstanding at the year end	-	-	14.20	22.10
Richi Mathew				
Balance outstanding at the beginning	-	-	15.00	15.00
Amount Accepted	-	-	10.00	-
Amount Repaid	-	-	15.00	-
Balance outstanding at the year end	-	-	10.00	15.00
Rental Deposits				
M Mathew & Ammini Mathew	-	-	150.00	150.00
Muthoot Syndicate Nidhi Limited	-	17.56	-	-
Interest Payable on Debenture				
Nikita Elizabeth Verghese	-	-	-	1.31
Asha Richi Mathew	-	-	12.34	10.06
Interest Payable on Subordinate Debts				
Nikita Elizabeth Verghese	-	-	1.10	14.97
Giselle Richi	-	-	2.03	4.72
Asha Richi Mathew	-	-	-	0.03
Reena Verghese	-	-	1.61	4.93
M Mathew	-	-	13.32	21.85
Ammini Mathew	-	-	4.00	5.71
Nimisha Elizabeth Verghese	-	-	-	20.42
Gabriela Ninan Richi	-	-	1.85	3.45
Richi Mathew	-	-	0.25	0.94

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Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Key Management Personnel/Director or their relatives	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Rent Payable				
M Mathew (Including GST)	-	-	-	1.35
Ammini Mathew (Including GST)	-	-	-	1.35
Remuneration Payable				
M.Mathew	-	-	-	1.40
Richi Mathew	-	-	-	-
Ammini Mathew	-	-	-	1.40
Asha Richi Mathew	-	-	-	0.90
Reghupathy S	-	-	-	-
Rakesh P	-	-	-	-
Raghul S R	-	-	-	-
M R Rajeev	-	-	-	1.90
Arun Kumar V K	-	-	-	0.67
Remya R S	-	-	-	-
Neethu C Biju	-	-	-	-
Commission Payable				
M Mathew				
Opening payable	-	-	32.00	-
Payable during the year	-	-	-	32.00
Paid during the year	-	-	32.00	-
Closing payable	-	-	-	32.00
Richi Mathew				
Opening payable	-	-	25.00	-
Payable during the year	-	-	-	25.00
Paid during the year	-	-	25.00	-
Closing payable	-	-	-	25.00
Director's Sitting fee Payable				
M.Mathew	-	-	0.38	-
Richi Mathew	-	-	0.42	-
Asha Richi Mathew	-	-	0.22	-
Ammini Mathew	-	-	0.44	-
Dillark Justin	-	-	0.09	-
Antony Robert John	-	-	0.57	-
Ladislas P	-	-	0.03	-

Note:

a) The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on acturial basis for the company as a whole.

b) Related parties and the transactions have been identified on the basis of the declaration received by the management and other records available.





38 Segment information

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 -Operating Segments.

39 Assets pledged as security

The carrying amount of assets pledged as security for secured debt securities, secured borrowings (other than debt securities) and considered for returns or statement of current assets filed by the company with the banks/ financial institutions is as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Financial assets		
Loans	1,29,863.95	89,050.04
Cash and cash equivalents	696.74	925.47
Deposits with bank	2,485.37	2,730.76
Security Deposits	517.58	455.23
	1,33,563.64	**93,161.50**

40 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair values hierarchy

The fair value of financial instruments has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

Valuation framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure the quality and adequacy of the fair valuation. The objective of the valuation techniques is to arrive at a fair value that reflects the price that would be received to sell the asset or paid to transfer the liability in the market at any given measurement date. The methodologies followed have been detailed below.

The fair valuation of the financial instruments and its ongoing measurement for financial reporting purposes is ultimately the responsibility of the finance team which reports to the Chief Financial Officer. The team ensures that final reported fair value figures are in compliance with Ind AS and will propose adjustments wherever required. When relying on third-party sources, the team is also responsible for understanding the valuation methodologies and sources of inputs and verifying their suitability for Ind AS reporting requirements.

Valuation methodologies of financial instruments measured at fair value

Investments at fair value through profit or loss

For investments at fair value through profit and loss, valuation is done using quoted prices from active markets at the measurement date. The equity instruments which are actively traded on public stock exchanges with readily available active prices on a regular basis are classified as Level 1. Units held in mutual funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions are generally Level 1.

There are no such investments outstanding as at As at 31st March 2026 and As at 31st March 2025

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Valuation methodologies of financial instruments not measured at fair value

Fair value of instruments measured at amortised cost

Fair value of instruments that are initially measured at fair value and subsequently carried at amortised cost is disclosed as follows:

Particulars	Level	As at 31st March 2026		As at 31st March 2025	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Cash and cash equivalents	1	696.74	696.74	925.47	925.47
Bank balances other than cash and cash equivalents	1	2,487.64	2,487.64	2,731.23	2,731.23
Loans	3	1,29,863.95	1,29,863.95	89,050.04	89,050.04
Other financial assets	3	614.28	614.28	589.79	589.79
Total		**1,33,662.61**	**1,33,662.61**	**93,296.53**	**93,296.53**
Financial liabilities					
Trade payables	3	75.82	75.82	173.28	173.28
Debt securities	2	52,317.17	52,317.17	31,977.09	31,977.09
Borrowings (other than debt securities)	2	35,305.27	35,305.27	21,062.61	21,062.61
Subordinated Liabilities	2	21,051.51	21,051.51	20,629.49	20,629.49
Lease Liabilities	2	4,960.25	4,960.25	4,818.22	4,818.22
Other financial liabilities	3	350.36	350.36	613.70	613.70
Total		**1,14,060.39**	**1,14,060.39**	**79,274.39**	**79,274.39**

Valuation Techniques

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Since comparable data is not available, credit risk is derived using historical experience, management view and other information used in its collective impairment models.

Fair values of portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics i.e., type of loan, underlying security risk, customer behaviour based on region etc. The Company then calculates and extrapolates the fair value to the entire portfolio using effective interest rate model that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults. Hence, the carrying amount of such financial assets at amortised cost net of impairment loss allowance is of reasonable approximation of their fair value.

Financial Liabilities at amortized cost

The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

All other debt securities, borrowings and subordinated liabilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

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41 Risk Management

The Company has operations in various parts of India. As a financial lending institution, the Company is exposed to various risks, that are related to lending business and operating environment.. The primary aim of the Company's risk management framework is to evaluate and oversee these risks while implementing strategies, policies, and controls to mitigate their impact. The Company's main financial obligations include borrowings and trade and other payables, primarily utilized to fund and sustain its business activities. Its core financial assets consist of loans, cash and cash equivalents, and other receivables generated through its operations.

The Company has established robust policies and procedures to identify, assess, monitor, and manage risk across its operations. The risk management framework is subject to continuous evaluation and enhancement to ensure it remains effective and responsive to evolving risk scenarios. The adaptability of this process is regularly assessed to confirm its relevance in a dynamic risk environment. Risk assessment is also conducted in response to specific events that may impact the company's exposure.
The major type of risk Company faces in business are credit risk, liquidity risk, market risk and operational risk.

A Credit Risk

Credit risk stems from the potential financial loss the Company may incur if a customer fails to meet their obligations under a loan agreement. Such losses may result from customer defaults or insufficient collateral.

A1 Credit risk management

To manage this risk, the Company has established several measures:

a) Credit risk associated with gold loans is significantly minimized, as the collateral comprises gold ornaments, which are highly liquid assets. The likelihood of loss is low due to the retention of a substantial margin—typically 25% or more—at the time of loan disbursement. Additionally, a prompt yet thorough collateral assessment and approval process further mitigates the risk. As a result, the overall credit risk in this segment remains low.

b) The Company classifies gold loans into various categories based on ticket size, and an appropriate authorization matrix is applied accordingly. Approval authority varies depending on the loan amount, ranging from the Branch Manager to officials at the Head Office level

c) Auctions are carried out in accordance with the Company's Auction Policy and the guidelines prescribed by the Reserve Bank of India. Typically, auctions are initiated before the outstanding loan amount, including interest, exceeds the realizable value of the pledged gold. It is used as a last resort in unavoidable situations.

A2 Impairment Assessment

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the Summary of material accounting policies.

A.2.1 Definition of Default

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes 91 days past due including the due date on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations.

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A.2.2 Credit risk measurement - Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit impaired on initial recognition and whose credit risk has not increased significantly since initial recognition is classified as "Stage 1".
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If a financial instrument is credit impaired, it is moved to "Stage 3".

ECL for depending on the stage of financial instrument:

- Financial instrument in Stage 1 have their ECL measured at an amount equal to expected credit loss that results from default events possible within the next 12 months.
- Instruments in Stage 2 or Stage 3 criteria have their ECL measured on lifetime basis.

Criteria for significant increase in credit risk

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative or qualitative criteria are met.

(i) Quantitative criteria

The remaining lifetime probability of default at the reporting date has increased, compared to the residual lifetime probability of default expected at the reporting date when the exposure was first recognized. The Company considers loan assets as Stage 2 when the default in repayment is within the range of 31 to 90 days.

(ii) Qualitative criteria

If other qualitative aspects indicate that there could be a delay/default in the repayment of the loans, the Company assumes that there is significant increase in risk and loan is moved to stage 2.

Criteria for default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets the following criteria:

(i) Quantitative criteria

The Company considers loan assets as Stage 3 when the default in repayment has moved beyond 90 days.

(ii) Qualitative criteria

The Company considers factors that indicate unlikeliness of the borrower to repay the loan which include instances like the significant financial difficulty of the borrower, borrower deceased or breach of any financial covenants by the borrower etc.

A.2.3 Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the product of the exposure at default (EAD), probability of default (PD) and loss given default (LGD)

Exposure at Default (EAD)

Exposure at Defaul (EAD) which defines the exposure that will be at risk in case a borrower defaults on its obligations.EAD includes the total balance of loans asset on the reporting date along with interest accrued on the same except in case of stage 3 assets.

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal risk based categories and year end asset classification. The amounts represented are gross of impairment allowances.

Stage	EAD as at 31st March 2026				Total
	Region				
	East India	North India	South India	West India	
1	31,636.25	39,960.26	17,682.60	34,341.50	1,23,620.61
2	2,282.20	1,514.63	525.23	2,299.64	6,621.70
3	135.37	109.62	39.82	69.07	353.88
Total	34,053.81	41,584.51	18,247.65	36,710.21	1,30,596.18

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Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. For Stage 1 financial assets, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD.The loans are grouped into different geographical regions North, South, East and West for arriving the PD percentage to consider Marco Economic factors.The PD percentage is computed as a percentage of defaulted loan to the total loan disbursed regionwise.

Probability of default (PD)	Stage 1	Stage 2	Stage 3
East India	7.74%	7.74%	100%
North India	8.42%	8.42%	100%
South India	4.20%	4.20%	100%
West India	5.23%	5.23%	100%

Loss given default (LGD)

Loss given default defines the amount that the Company will lose in case a borrower defaults on its obligations.The Company determines its recovery by analyzing the recovery trends,collateral Value and Expected proceeds from sale of collaterals. In case of Gold loan LGD percentage is computed at 6.73% for different stages such as stage 1,stage 2 & stage 3 portfolios, and in case of unsecured personal loans LGD percentage is considered as 100%.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

B.1 Maturities of financial liabilities

The tables below analyse the Company financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31st March 2026	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Balances insensitive to ALM*	Total
Trade payables	75.82	-	-	-	-	75.82
Debt securities	3,177.00	11,500.37	33,496.94	4,827.20	(684.34)	52,317.17
Borrowings (other than debt securities)	7,344.05	18,227.07	10,011.96	-	(277.82)	35,305.27
Subordinate liabilities	1,002.19	2,875.08	16,853.46	320.78		21,051.51
Lease liabilities	313.22	946.23	4,309.00	1,082.53	-	6,650.98
Other financial liabilities	350.36	-	-	-	-	350.36
Total	**12,262.64**	**33,548.76**	**64,671.36**	**6,230.51**	**(962.16)**	**1,15,751.12**

As at 31st March 2025	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Balances insensitive to ALM*	Total
Trade payables	173.28	-	-	-	-	173.28
Debt securities	2,949.87	6,959.43	19,097.99	3,541.81	(572.01)	31,977.09
Borrowings (other than debt securities)	6,806.98	8,290.11	6,081.91	-	(116.39)	21,062.61
Subordinate liabilities	1,684.35	5,653.74	13,291.40	-	-	20,629.49
Lease liabilities	272.51	828.80	4,238.60	1,126.23		6,466.14
Other financial liabilities	613.70	-	-	-	-	613.70
Total	**12,500.69**	**21,732.08**	**42,709.90**	**4,668.04**	**(688.40)**	**80,922.31**

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C. Market risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. The Company is exposed to three types of market risk as follows:

C.1 Interest Rate Risk

Interest Rate Risk is the risk that the future cashflows of the financial instruments will fluctuate because of changes in market interest rates. The Company is exposed to this risk primarily because it extends fixed-rate loans to customers with maturities that are generally shorter than those of its funding sources. While most of the Company's borrowings are at fixed interest rates, any borrowings at floating rates introduce exposure to interest rate volatility.

Interest rates are influenced by numerous external factors beyond the Company's control, including the monetary policies of the Reserve Bank of India, domestic and global economic and political developments, inflation trends, and other market conditions. To manage this risk effectively, the Company aims to maintain an optimal mix of short-term and long-term borrowings in its funding strategy.

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31st March 2026
Debt securities	
Variable rate	-
Fixed rate	52,317.17
Total	52,317.17
Borrowings (other than debt securities)	
Variable rate	27,472.26
Fixed rate	7,833.01
Total	35,305.27
Subordinate Debts	
Variable rate	-
Fixed rate	21,051.51
Total	21,051.51

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings is as follows:

Particulars	As at 31st March 2026
On Borrowings	
-1% Increase	274.72
-1% Decrease	(274.72)

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C.2 Price Risk

A sudden decline in gold prices, and consequently in the value of pledged gold ornaments, may lead to customer defaults if the outstanding loan amount along with accrued interest exceeds the market value of the collateral. This risk is partially mitigated by maintaining a minimum margin of 25% on the assessed value of the gold jewellery when determining the loan amount.

Moreover, the appraisal of gold jewellery is based exclusively on the weight of its gold content, with no consideration given to the weight or value of any embedded stones. Additionally, the sentimental attachment customers often have to their gold jewellery may encourage them to repay and redeem their pledged items, even if the current market value of the collateral is less than the repayment obligation.

While occasional fluctuations in gold prices are unlikely to significantly impact price risk due to the conservative collateral margins maintained, a prolonged and sustained decrease in gold prices could lead to a contraction in our loan portfolio and a corresponding reduction in interest income.

C.3 Foreign Currency Risk

Currency risk refers to the potential for fluctuations in the value of financial instruments due to changes in foreign exchange rates. For the Company, this risk primarily arises from foreign currency borrowings. As of 31st March 2026 the Company has mitigated its exposure to foreign currency risk by entering into forward contracts to hedge its foreign currency borrowings. These hedging transactions are conducted with reputable banks as counterparties.

The Company's exposure on account of Foreign Currency Borrowings at the end of the reporting period are as follows:

Particulars	Foreign currency	As at 31st March 2026	As at 31st March 2025
Foreign Currency Term Loan	USD	9,453.36	8,305.19

C.4 Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected, such as fixed rate loans when interest rates fall.

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42 Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares, or sell assets to reduce debt.
No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio ("CRAR") consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer Note 44 for the Company's Analytical ratios.

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43 Disclosures required as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Sl. No	Particulars	As at 31st March 2026		As at 31st March 2025	
	Liabilities side:				
(1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
	(a) Debentures : Secured	52,317.17	-	31,977.09	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	30,231.91	-	17,302.31	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial paper	-	-	-	-
	(f) Public Deposits	-	-	-	-
	(g) Other Loans	-	-	-	-
	(i) Subordinated Debt	21,051.51	-	20,629.49	-
	(ii)Overdraft	5,073.36	-	3,760.30	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**				
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-

	Assets side:	As at 31st March 2026	As at 31st March 2025
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		
	(a) Secured	1,30,504.76	89,253.43
	(b) Unsecured	91.43	420.04
(4)	**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on Hire including hire charges under sundry debtors:		
	(a) Asset on Hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other loan counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
(5)	**Break-up of Investments:**		
	Current Investments :		
	1. Quoted		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

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MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-
	Long term Investments:		
	1. Quoted		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-

(6) Borrower Group-wise classification of assets financed as in (3) and (4) above :

Category	As at 31st March 2026			As at 31st March 2025		
	Amount Net of Provisions			Amount Net of Provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties*						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-		-	-		-
(c) Other related Parties	-	-	-	-	-	-
2. Other than related parties	1,29,806.73	57.22	1,29,863.95	88,691.57	358.47	89,050.04
Total	**1,29,806.73**	**57.22**	**1,29,863.95**	**88,691.57**	**358.47**	**89,050.04**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31st March 2026		As at 31st March 2025	
	Market value/Break-up or fair	Book value (net of Provisions)	Market value/Break-up or fair	Book value (net of Provisions)
1. Related Parties*				
(a) Subsidiaries	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil
(c) Other related Parties	Nil	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil	Nil
Total	-	-	-	-

*As per Accounting Standard of Institute of Chartered Accountants of India

(8) Other Information

Particulars	As at 31st March 2026	As at 31st March 2025
(i) Gross Non-Performing Assets**		
(a) Related Parties	-	-
(b) Other than related parties	353.88	1,363.49
(ii) Net Non-Performing Assets**		
(a) Related Parties	-	-
(b) Other than related parties	220.35	1,157.38
(iii) Asset acquired in Satisfaction of Debt	-	-

**Stage 3 Loan Asset under Ind AS





MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

(9) Other Disclosures

a) Capital to Risk Weighted Assets Ratio (CRAR)

Particulars	As at 31st March 2026	As at 31st March 2025
a)Capital to risk-weighted assets ratio (CRAR)	24.89%	25.36%
b)CRAR - Tier I Capital (%)	17.24%	19.04%
c)CRAR - Tier II Capital (%)	7.65%	6.32%
e)Amount of subordinated debt raised as Tier-II capital	21,051.51	20,629.49
f)Amount raised by issue of Perpetual Debt Instruments	-	-

b) Investments

Particulars			As at 31st March 2026	As at 31st March 2025
(1)	Value of Investments			
	(i) Gross Value of Investments			
		(a) In India	Nil	Nil
		(b) Outside India	Nil	Nil
	(ii) Provisions for Depreciation			
		(a) In India	Nil	Nil
		(b) Outside India	Nil	Nil
	(iii) Net Value of Investments			
		(a) In India	Nil	Nil
		(b) Outside India	Nil	Nil
(2)	Movement of provisions held towards depreciation on investments			
	(i)	Opening Balance	Nil	Nil
	(ii)	Add : Provisions made during the year	Nil	Nil
	(iii)	Less : Write-off / write-back of excess provisions during the year	Nil	Nil
	(iv)	Closing Balance	Nil	Nil

c) Derivatives

I) Forward Rate Agreement / Interest Rate Swap

Sl. No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	The notional principal of swap agreements	4,125.00	3,499.42
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	354.88	17.81

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

ii) Exchange Traded Interest Rate (IR) Derivatives

Particulars	As at 31st March 2026	As at 31st March 2025
Exchange Traded Interest Rate (IR) Derivatives	-	-

iii) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

The company undertakes derivative transaction for hedging foreign currency exposures to mitigate the foreign currency risk during the year, the company has hedged its foreign currency borrowings through forward exchange contracts and cross currency swaps. The asset liability management committee monitors such transaction and review the risk involved.

Quantitative Disclosure

Sl. No.	Particulars	As at 31st March 2026		As at 31st March 2025	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For Hedging	5,145.28	4,125.00	4,945.48	3,499.42
(ii)	Marked to Market Positions				
	a) Asset	42.60	354.88	-	17.81
	b) Liability	-	-	54.45	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

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MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

d) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As at 31st March 2026

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days	over 1 month upto 2 month	over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 month & upto 1 year	Over 1 year & 3 year	Over 3 years & upto5 years	Over 5 Years	Balances insensitive to ALM*	Total
Advances**	9,044.18	835.25	2,717.08	3,067.19	5,053.06	28,954.12	80,576.06	215.73	-	-	-	1,30,462.66
Borrowings	715.64	146.40	2,466.50	4,351.48	1,950.13	8,109.10	18,811.76	36,834.90	21,569.13	5,147.98	(882.42)	99,220.59
Foreign currency liabilities	438.10	-	150.00	576.67	728.33	4,765.00	916.67	1,958.33	-	-	(79.73)	9,453.36

As at 31st March 2025

Particulars	1 to 7days	8 to14 days	15 days to 30/31 days	over 1 month upto 2 month	over 2 months upto 3 months	Over 3 month upto 6 month	Over 6 month & upto 1 year	Over 1 year & 3 year	Over 3 years & upto 5 years	Over 5 Years	Balances insensitive to ALM*	Total
Advances**	18,107.35	792.12	1,761.59	1,616.69	863.38	6,747.65	58,102.20	319.00	1,030.33	127.05	-	89,467.36
Borrowings	4,074.58	-	619.83	3,152.04	2,418.09	3,892.82	13,160.47	24,026.07	11,151.91	3,541.81	(673.60)	65,364.02
Foreign currency liabilities	49.99	-	150.00	576.67	400.00	1,266.67	2,583.33	3,293.33	-	-	(14.80)	8,305.19

*Represents adjustment on account of EIR

** Net of provision for Stage3 loan asset

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

e) Exposures:

i) The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

ii) Exposure to capital market;

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Direct investment in equity shares, convertible bonds, convertible debentures, and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Nil	Nil
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	Nil	Nil
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii)	bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
	Total Exposure to Capital Market	Nil	Nil

MOHAMEDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED KOLLAM 695 014

iii) Sectoral exposure

Sr. No.	Sectors	Current Year			Previous Year		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs*	Percentage of Gross NPAs to tot al exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs*	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
4	Personal Loans:	-	-	-	-	-	-
	Others	91.43	27.13	29.68%	420.04	37.80	9.00%
5	Gold Loan	1,30,504.76	326.75	0.25%	89,253.43	1325.69	1.49%
	Total	**1,30,596.18**	**353.88**	**0.27%**	**89,673.47**	**1,363.49**	**1.52%**

*Stage 3 Loan Asset under Ind AS

iv) Intra-group exposures (Rs. in Lakhs)

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
i)	Total amount of intra-group exposures	Nil	Nil
ii)	Total amount of top 20 intra-group exposures	Nil	Nil
iii)	Percentage of intra-group exposures to total	Nil	Nil

v) Unhedged Foreign currency exposure

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
i)	Unhedged Foreign exposure	Nil	Nil

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

0) Related Party Disclosure (Rs. in Lakhs)

Related Party	Subsidiaries		Key Management Personnel		Relatives of Key Management		Total	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum during the year								
Borrowings	-	-	538.25	597.13	94.45	100.60	632.70	697.73
Deposits	-	-	150.00	150.00	-	-	150.00	150.00
Placement of deposits	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Balance outstanding at the year end								
Borrowings	-	-	378.10	538.25	29.15	94.45	407.25	632.70
Deposits	-	-	150.00	150.00	-	-	150.00	150.00
Placement of deposits	-	-	-	-	-	-	-	-
Payables	-	-	33.67	109.49	4.98	44.87	38.66	154.36
Advances	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-
Transactions during the year								
Purchase of fixed/other assets	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest Paid	-	-	40.91	41.58	44.11	4.70	85.02	46.28
Interest Received	-	-	-	-	-	-	-	-
Remuneration	-	-	161.47	169.37	-	-	161.47	169.37
Others-Income	-	-	-	-	-	-	-	-
Others-Expenditure	-	-	265.65	335.52	-	-	265.65	335.52

MOHANDAS & ASSOCIATES * CHARTERED ACCOUNTANTS * THRISSUR-1

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MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

g) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

(Nos.)

Sr. No.	Particulars	Current Year	Previous Year
Complaints received by the NBFC from its customers;			
1	Number of complaints pending at beginning of the year	-	1
2	Number of complaints received during the year	104	20
3	Number of complaints disposed during the year	104	21
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
Maintainable complaints received by the NBFC from Office of Ombudsman;			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	5	11
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	5	11
5.2	Of 5, number of complaints resolved through reconciliation/ mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

2) Grounds of Top 5 Complaints

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current year					
Loans and Advances	-	93	365%	-	-
Staff Behaviour	-	11	100%	-	-
Total					
Previous year					
Loans and Advances	1	20	150%	-	-
Total	1	20		-	-

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

h) Provisions and contingencies (shown under the head expenditure in Statement of Profit and Loss):

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Provision for standard assets (Expected Credit Loss on Stage 1 and Stage 2)	181.39	339.50
Provision for non-performing assets (Expected Credit Loss on Stage 3)	(72.58)	108.48
Provision for income tax	1,854.22	963.95
Provision for gratuity	59.73	42.56
Provision for leave encashment	41.47	53.50
Provision for depreciation on investment	-	-
Provision for other losses	-	-
Total	**2,064.22**	**1,507.99**

i) Draw Down From Reserves

During the year company has issued bonus shares of Rs 1,09,25,62,410 (1,09,256,241 fully paid-up equity shares of ₹10 each) by Capitalising free reserves of the company

j) Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Deposits (for deposit taking NBFCs)		**As at 31st March 2026**	**As at 31st March 2025**
(i)	Total Deposits of twenty largest depositors	NA	NA
(ii)	Percentage of Deposits of twenty largest depositors to Total Deposits of the deposit taking NBFC.	NA	NA
Concentration of Advances		**As at 31st March 2026**	**As at 31st March 2025**
(i)	Total Advances to twenty largest borrowers	1600.83	773.30
(ii)	Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	1.23%	0.86%
Concentration of Exposures		**As at 31st March 2026**	**As at 31st March 2025**
(i)	Total Exposure to twenty largest borrowers / customers	1600.83	773.30
(ii)	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	1.23%	0.86%
Concentration of NPAs		**As at 31st March 2026**	**As at 31st March 2025**
(i)	Total Exposure to top four NPA accounts	96.83	111.07

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

k) Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1	Agriculture & allied activities	Nil
2	MSME	Nil
3	Corporate borrowers	Nil
4	Services	Nil
5	Unsecured personal loans	Nil
6	Auto loans	Nil
7	Gold Loan	0.25%
8	Other personal loans	29.68%

l) c) Movement of NPAs

	Particulars	As at 31st March 2026	As at 31st March 2025
(i)	Net NPAs to Net Advances (%)	0.17%	1.30%
(ii)	Movement of NPAs (Gross)*		
	(a) Opening Balance	1,363.49	365.28
	(b) Additions during the year	259.64	1,187.07
	(c) Reductions during the year	1,269.25	188.86
	(d) Closing Balance	353.88	1,363.49
(iii)	Movement of Net NPAs*		
	(a) Opening Balance	1,157.38	267.65
	(b) Additions during the year	157.82	1,056.30
	(c) Reductions during the year	1,094.84	166.57
	(d) Closing Balance	220.35	1,157.38
(iv)	Movement of provisions for NPAs*		
	(a) Opening Balance	206.11	97.63
	(b) Provisions made during the year	101.82	130.77
	(c) Write-off / write back of excess provisions	174.40	22.29
	(d) Closing Balance	133.53	206.11

*Stage 3 Loan Asset under Ind AS

m) Disclosure of Complaints

S.No	Particulars	As at 31st March 2026
(a)	No. of complaints pending at the beginning of the year	-
(b)	No. of complaints received during the year	104
(c)	No. of complaints redressed during the year	104
(d)	No. of complaints pending at the end of the year	-

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

n) Utilization of Proceeds of Public Issue of Non-Convertible Debentures

During the year the Company has raised Rs.28,746.02 lakhs (Previous Year: Rs.20,707.77 Lakhs) through public issue of Secured Non-Convertible Debentures. As at 31st March, 2026, the company has utilised the entire proceeds of public issue, net of issue expenses in accordance with the objects in the offer documents.

o) Details of Auction held during the period

Particulars	As at 31st March 2026	As at 31st March 2025
No. of Loan accounts	1,457	3,483
Principal amount Outstanding at the dates of auction(A)	660.30	2,082.25
Interest and Other charges Outstanding at the dates of auction(B) (Refer Note 1)	456.84	919.62
Amount to be adjusted against other loans (C)	-	209.57
Total(A+B+C)	1,117.13	3,211.44
Value fetched(Refer Note 2)	1,186.86	3,237.83

Note

1. Interest outstanding is recomputed by the management at the time of auction.
2. Interest is excluding GST / Sales tax collected from the buyer.
3. No sister concerns participated in the auctions held during the period.

p) Fraud

During the year,frauds committed by employees and customers on the company amounts to Rs.29.11 Lakhs (Previous year-Rs.86.66 lakhs). ECL provision has been created for the outstanding balance as on 31st March 2026.

q) Percentage of Gold Loan to Total Assets

Particulars	As at 31st March 2026	As at 31st March 2025
Total Gold loan portfolio	1,30,504.76	88,691.57
Total Assets	1,39,940.17	99,080.00
Gold loan portfolio as a percentage of total assets	**93.26%**	**89.52%**

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR-1

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

r) Loans against gold collateral: Details of loans extended against eligible gold collateral

Particulars	Loan Outstanding		Average Ticket Size	Average LTV Ratio	Gross NPA %
	Amount	As % of Total Loans			
1. Opening balance of the FY (a + b)*	84,755.76	99.51%	0.53	65.00%	1.49%
a) Consumption loans of which bullet repayment loans	84,755.76	99.51%	0.53	65.00%	1.49%
b) Income generating loans	-	-	-	-	-
2. New loans sanctioned and disbursed during the FY (c + d)*	4,12,246.21	328.18%	0.75	62.00%	NA
c) Consumption loans of which bullet repayment loans	4,12,246.21	328.18%	0.75	62.00%	NA
d) Income generating loans	-	-	-	-	NA
3. Renewals sanctioned and disbursed during the FY*	-	-	-	-	NA
4. Loans repaid during the FY*	3,70,199.92	294.71%	0.41	NA	NA
5. Non-Performing Loans recovered during the FY*	1,269.25	1.01%	-	NA	NA
6. Loans written off during the FY (e + f)*	4.18	0.003%	-	NA	NA
(e) Consumption loans of which bullet repayment loans	4.18	0.003%	-	NA	NA
(f) Income generating loans	-	-	-	NA	NA
7. Closing balance at the end of FY (g + h)*	1,25,528.62	99.93%	0.71	61.00%	0.25%
(g) Consumption loans of which bullet repayment loans	1,25,528.62	99.93%	0.71	61.00%	0.25%
(h) Income generating loans	-	-	-	-	-

*Does not include interest accrued

s) Details of Gold Collateral and Auctions

Sr.No	Particulars	
(a)	Unclaimed gold collateral at the end of the financial year (in grams)	-
(b)	Number of loan accounts in which auctions were conducted	1,457.00
(c)	Total outstanding in loan accounts mentioned in (b)	1,117.13
(d)	Gold collateral acquired during the FY due to default of loans (in grams)	-
(e)	Gold collateral auctioned during the FY (in grams)	15,460.63
(f)	Recovery made through auctions during the FY*	1,186.86
(g)	**Recovery percentage:**	
(h)	as % of value of gold collateral	100.00%
(i)	as % of outstanding loan	106.24%

*Includes surplus received from auction

No sister concerns partcipated in the auctions held during the period.

MOHAMED & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

MUTHOOT MERCANTILE LIMITED

Notes to the financial statements for the year ended 31st March 2026

(All amounts are in Lakhs unless otherwise stated)

t) Disclosure pursuant to RBI Notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As at 31st March 2026

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (A)	Loss Allowances (Provisions) as required under Ind AS 109 (B)	Net Carrying Amount (A-B)	Provisions required as per IRACP norms (C)	Difference between Ind AS 109 provision and IRACP norms (B-C)
Performing assets						
Standard	Stage 1	1,23,620.61	568.19	1,23,052.42	494.68	73.51
	Stage 2	6,621.70	30.52	6,591.18	26.49	4.03
Total for Standard assets		1,30,242.31	598.71	1,29,643.60	521.16	77.54
Non-Performing Assets (NPA)						
Sub-Standard	Stage 3	281.15	103.83	177.31	33.58	70.25
Total for Sub-Standard assets		281.15	103.83	177.31	33.58	70.25
Doubtful						
- Upto 1 year	Stage 3	41.18	20.97	20.20	26.01	(5.04)
- 1 to 3 years	Stage 3	2.60	1.92	0.68	2.56	(0.64)
- More than 3 years	Stage 3	28.96	6.80	22.15	49.72	(42.92)
Total for Doubtful assets		72.73	29.69	43.04	78.29	(48.60)
Loss assets	Stage 3	-	-	-	-	-
Total for Non Performing assets		-	-	-	-	-
Other items such as guarantees, loan commitments etc. which are	Stage 1	-	-	-	-	-
in the scope of Ind AS 109 but not covered under current Income	Stage 2	-	-	-	-	-
recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-	-	-	-
Total	Stage 1	1,23,620.61	568.19	1,23,052.42	494.68	73.51
	Stage 2	6,621.70	30.52	6,591.18	26.49	4.03
	Stage 3	353.88	133.53	220.35	111.87	21.65

MOHANDAS & ASSOCIATES CHARTERED ACCOUNTANTS THRISSUR

MUTHOOT MERCANTILE LIMITED THYCAUD 695 014

44 Analytical Ratios

I) Capital to risk weighted assets Ratio (CRAR)

Ratio	Numerator	Denominator	Current Period	Previous Period	% of Variance	Reason for Variance
CRAR	34,597.48	1,39,005.80	24.89%	25.36%	-1.87%	Increase in risk weighted assets
Tier I CRAR	23,969.39	1,39,005.80	17.24%	19.04%	-9.44%	Increase in risk weighted assets
Tier II CRAR	10,628.09	1,39,005.80	7.65%	6.32%	20.93%	Increase in Subordinate Debt

45 Additional Disclosure as per Schedule III of Companies Act,2013

a) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government

c) No registration or satisfaction of charges are pending to be filed with ROC.

d) The company has not entered into any scheme of arrangement.

e) There are no instances of transactions not recorded in the books of account, which have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

f) The company has not traded or invested in crypto currency or virtual currency during the financial year.

g) The company does not have any transaction with companies struck off under section 248 or the Companies Act 2013.

h) The Company has availed credit facilities from bank or financial institutions during the current year on the basis of security of current assets.The quarterly returns or statements of current assets filed by the Company with said banks/financial institutions are, with all material respects, in agreement with the books of accounts.

i)The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31,2026.

46 Utilization of Borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other persons or entities including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 Figures for the previous years have been regrouped / reclassified wherever considered necessary to conform with the current year's presentation.

For and on behalf of the board of directors of
Muthoot Mercantile Limited

M Mathew
[Wholetime Director]
DIN 00063078

Richi Mathew
[Managing Director]
DIN 00224336

Bagavath Krishnan venugopal
[Chief Financial Officer]

Vatanapally Haridas Rupesh
[Company Secretary]

Place: Thiruvananthapuram
Date: 29-05-2026

As per our report of even date attached

For Mohandas & Associates
Chartered Accountants
ICAI Firm Registration Number: 002116

Mohandas Anchery
[Partner]
Membership No.: 036726
Place: Thrissur
Date: 29-05-2026